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3 March 1983

NEAR EAST/SOUTH ASIA REPORT

No. 2715

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ALGERIA-TUNISIA COOPERATION DISCUSSED

PM221001 Algiers EL MOUDJAHID in French 10 Feb 83 p 16

[APS report: "No Problem Likely to Hinder Algerian-Tunisian Cooperation"]

[Excerpt] Tunis--"No problem is likely to hinder Algerian-Tunisian cooperation, the process of which has been strengthened over recent months thanks to the [apparent line drop] of Sakiet Sidi-Youssef whose results [apparent line drop] of the two countries which are the reason for our present meeting," [Algerian] prime minister and Politburo member Mohamed Benahmed Abdelghani said when he left Tunis for Algiers Wednesday afternoon [9 February] at the end of a 2-day official visit to Tunisia at the invitation of his Tunisian counterpart Mohamed Mzali.

"I thank my comrade, Mohamed Mzali," Mr Abdelghani added, "for the warm welcome we were given when we took part in the commemoration of the 25th anniversary of the Sakiet Sidi-Youssef events whose results were contrary to the desires cherished by colonialism, which was the architect of the tragic events of 8 February 1958," Mr Abdelghani added, before specifying that the bombing of Sakiet Sidi-Youssef merely further strengthened the unity of the Algerian and Tunisian peoples and speeded up the decolonization process.

"We made a comprehensive examination of the achievements to date and particularly since the historic meeting between [Algerian] President Chadli Bendjedid and [Tunisian] President Habib Bourguiba," the prime minister continued, stressing that "the examination of the different spheres of cooperation between the two countries produced a feeling of optimism about positive results."

The prime minister also said that the Algerian-Tunisian plans, which have gone beyond the design and planning stage, will be implemented after a final slight clarification. Mr Abdelghani added in this context that other joint projects were reviewed.

Mr Abdelghani then stressed that Algerian-Tunisian cooperation is on the right track, recalling that the door was already open for Tunisian enterprises to contribute to the implementation of some projects near the Algerian-Tunisian border, notably in Annaba, Guelma and Tebessa.

In a statement to the Algerian press Tunisian Prime Minister Mohamed Mzali echoed the views expressed by Mr Abdelghani, saying that he was satisfied with the Algerian prime minister's visit to Tunisia.

"I thank Algeria for its participation in the commemoration of the Sakiet Sidi-Youssef events at such a high level," he stressed, before adding that this "visit provided an opportunity to pursue the examination of Algerian-Tunisian relations, whose development is well under way."

After stating that there is sustained cooperation between Algeria and Tunisia, Mr Mzali said that, while our generation contributed to strengthening our independence and drawing up development plans, the rising generations must strengthen the fraternal ties among the Arab Maghreb peoples.

"We liberated our countries from colonialism, built our states and helped create a propitious climate for ensuring that our generations develop in a united Arab Maghreb.

"We will try to shoulder this responsibility with complete faith and sincerity," Mr Mzali concluded.

Wednesday, the second day of the official visit to Tunisia by prime minister and FLN Politburo member Mohamed Abdelghani, was marked by limited talks later expanded to include the two countries' delegations.

These talks, which lasted around 2 hours and ended in the early afternoon, were chaired by the two countries' prime ministers and made it possible to assess Algerian-Tunisian cooperation and to make a comprehensive examination of relations between the two countries in various spheres.

In a statement to the press Mohamed Benahmed Abdelghani stressed that those talks which took place first in two restricted sessions later expanded to include the two countries' delegations, made it possible to exchange views on the state of Algerian-Tunisian relations and on the prospects for cooperation between the two countries in the light of this visit.

"We assessed cooperation and examined the future of Algerian-Tunisian relations," he stated.

Mr Abdelghani stressed that the forthcoming summit meeting between President Chadli Bendjedid and President Habib Bourguiba will make it possible to clarify some points which the two countries' governments are working to implement, stating that Algerian-Tunisian relations are healthy.

These talks were attended on the Algerian side by interior minister and FLN Politburo member M'Hamed Yala and Abdelghani Akbi, Algerian ambassador to Tunis and a Central Committee member. On the Tunisian side they were attended by a large delegation including minister of the interior Driss Guiga, minister of national defense Slaheddine Baly and minister of planning and finances Mansour Moalla.

CSO: 4500/95

ECONOMIC POLICY: PROPOSED BUDGET FOR 1983 REVIEWED

Casablanca LA VIE ECONOMIQUE in French 3 Dec 82 pp 7-8

[Comments by Mr Jouabri: "The Country's Economic Policy for 1983"; title of commentator, date, place, and occasion not given]

[Text] Here are Mr Jouabri's comments on Morocco's economic policy and the broad outlines of the budget bill:

"Execution of the 1982 Finance Law, in view of the prevailing circumstances, was not exempt from difficulties.

The outlook for the coming year, unfortunately, does not give rise to any expectation of possible improvement in the international situation.

As a result, Morocco, a non-oil-producing country, which is still supporting a war effort to defend its territorial integrity, and which, moreover, is determined not to compromise its chances for future development, is going to have to experience a situation that will be all the more difficult both in terms of domestic public finances and foreign accounts in that its exported resources are faced with market situations characterized by both falling demand and falling prices.

Need for Austerity

Therefore it is even more imperative than in the past to practise the strictest austerity, to maximize state revenues, and consequently, in particular, to improve the productivity and yield of the state system, which implies greater vigilance and strictness in surveillance of the application of the Finance Law for the year 1983.

With this in mind, I would like to show how the 1983 budget bill has tried to reconcile economic, social, and financial necessities, despite the serious difficulties that we are facing.

Of course, it will be up to the various commissions of this honorable Assembly to examine this bill in greater detail.

Operations: +12.5 percent

Overall, operationg expenses, by rising from 18.104 billion dirhams in 1982 to about 20 billion dirhams in 1983, are showing an increase of only 12.5 percent, or the same rate of growth as in 1982.

That gives some indication of the restrictive effort to which ordinary state expenditures have been subjected, after having increased by 17 percent in 1981.

It remains obvious, however, that safeguarding the country's territorial integrity is still a major objective of government action, and that the financial resources planned for the benefit of the National Defense Administration and the Security Forces express that priority.

New Civil Servants: 45,000

In addition, there is no denying that the government's social action has escaped harm from these measures.

Indeed, instead of weakening, the public hiring effort has been stepped up, since the number of new positions created rises in 1983 to over 45,000, compared to 43,000, not counting advancement to tenured positions.

Five Percent Wage Increase 1 January

Elsewhere, out of concern for improving government employees' purchasing power, a civil servants' salary increase of 5 percent has been decided upon, with effect from 1 January 1983.

Compensation: 2 Billion Dirhams

Finally, the activities of the Compensation Fund will be kept at 2 billion dirhams. Thus for the second consecutive year, the price of basic foodstuffs will not be increased at all.

Charge on Indebtedness: 5.7 Billion Dirhams

As for the charge on public indebtedness, of which the irreducible and unavoidable nature is worth stressing, it will increase from 4.76 billion dirhams to 5.7 billion dirhams, which is a rise on the order of 20 percent.

Equipment Budget: +12 Percent

As concerns the equipment budget, it is appropriate to point out that 1983 constitutes the turning-point year of the 1981-1985 Five-Year Plan. As a result, it appeared indispensable to reevaluate the incoming credits for the projects selected, to adapt them to the changes that have occurred in costs since their initial estimates were made. Thus, the total amount of the loans opened for the period 1981-1985 is being increased from 77 billion dirhams to 85 billion dirhams, which is a reevaluation of 10 percent approximately, while the 1983 payment credit slice amounts to 13 billion dirhams, compared to 17 billion dirhams, or an increase of about 12 percent.

The increase in public investment expenditures, which is affirmed year by year, while contributing to the installation of the means for the country's development, is of a kind to lead through chain-reaction to a renewal of general economic activity.

Thus outlays for investment continue to be amply assured by the state as respecting the priorities decreed in the Plan, while promoting the sectors tending to develop the nation's resources and provide more employment, as well as actions connected with the development of rural society.

Appeal to the Private Sector

However, it would be useless to expect the state, whatever means it may be in a position to bring in, to be able to assume on its own the responsibility for the country's development. It is part of the private sector's absolute duty to become part of this effort, especially since the country's liberal public opinion offers it ample prospects. From this point of view, the necessary conditions are present and are regularly improved to assure the full development of this sector. The coming into effect of the new investment codes and the extension of the advantages implicit in them, the continuation of equipment expenditures for the industrial zones, the use of both domestic and foreign financing resources, and the effort to simplify administrative processes show the extent of the effort that the state has been willing to make. It is imperative that the nation's private sector be willing to participate in a decisive way in the work of building the country, and that it find in this willingness the strength to overcome the hesitations that may be inspired by the difficulties of the situation.

No Aggravation of Fiscal Pressure

The government has chosen not to accentuate fiscal pressure so as to get enterprises to take part in a renewal of economic activity, the fact being that in a crisis situation the economic aspect may, to the extent that circumstances permit, be destined to take precedence over purely financial considerations.

In the same spirit, the measures taken in 1982 in behalf of the rural community, in particular exemption from, or suspension of, excise fees and taxes involving the agricultural sector, as well as the non-collection of the agricultural tax, will be continued in 1983.

Taking these measures into account, the expected ordinary revenues for 1983, discounting revenues from public establishments and the participation of the state, will increase by 6.3 percent over the predictions for 1982.

Public Establishment Revenues

As regards revenues from public establishments and state participation, it is obvious that the exceptional expenditure made this year, and which has made it possible to catch up some important arrears, particularly in dividends, cannot be repeated in 1983. Nevertheless, steps have been taken for management of public enterprises to be done with care for the strictest austerity,

so as to reduce their operating expenses and consequently improve their performance. Precise instructions have been given already in this sense, and every member of the government will personally see to it that they are applied in the organizations placed under his trusteeship. It goes without saying that as regards one of the principal lenders in this situation, whose turnover is particularly sensitive to the ups and downs of the international situation, there is some hope for an increase in revenues in this area if that situation should happen to improve.

At the same time, the collection effort will be made in a spirit of fairness, excluding any arbitrariness, but firmly, so as to enable the state to collect what is due to it.

Liquidation of Foreign Resources

It is true that in view of the increase in the projected investment and operating costs over those for 1982, and the fact that ordinary revenues will show only a modest improvement, the overall treasury deficit will have to be greater. Consequently it is important for us to liquidate the maximum of foreign resources, in the most favorable conditions, so that we do not aggravate our foreign debt rate or the costs of public indebtedness.

Maintaining Equipment Expenditures

Maintaining investment expenditure at the planned level, hence recourse to such a large volume of foreign funding resources, may at first appear to be a gamble of sorts. But the alternative, which would be to reduce the goals of our plan and drastically revise the corresponding investment programs, would be sure to further endanger in an irremediable way the future prospects of our development, with all the consequences implicit in such a choice, and to lessen our chances of being competitive when the time for renewal comes. The choice for which the government opted, however, does not exclude some staggering of projects nor a better definition of priorities. In any case, it imposes on the government the need to make even greater efforts than in the past to draw in the maximum of foreign assistance with a view to the broadest possible fulfilment of our development goals.

It is obvious that there can be no question of continually basing the country's investment program on foreign financing, whatever creditworthiness and goodwill we may enjoy among lenders and brother countries.

Fiscal Incentive Measures

It is high time to reflect deeply upon a way to strengthen national saving, so that it can take part in a more significant way than in the past in the financing of our investments. A thorough study will soon be undertaken on the subject, but, without prejudging its findings, the Finance Law bill has tried, by means of fiscal incentives, to start an initial effort in that direction.

In correlation with the liquidation of these purely domestic resources, the government is presently considering the implementation of a logical plan comprising incentives of a financial, administrative, and social nature to draw into the country as much as possible of the savings of our overseas workers. In addition, the export sector will receive a fresh boost.

Year's Suspension of Export Taxes

Incentive measures concerning export insurances and the one-year extension of the benefits provided under the 1973 code to export enterprises are already embodied in the Finance Law.

Other measures that have arisen out of a recent exhaustive study of this sector will be included, after government approval, to strengthen the measures adopted.

Finally, the new code specifically for the export sector will remain to be finalized.

Any Finance Law reflects the difficulties of its situation. As an instrument for the implementation of the economic and social policy of the authorities, it also reflects the extent, and at the same time, the limits, of government action.

The bill submitted to this honorable assembly does not escape this rule.

Its establishment in the very difficult environment that I have described to you has been marked with the seal of selective austerity, concern for the reorganization of public finances, and the desire to avoid compromising the chances of development in years to come.

The situation of widespread crisis, now being experienced by economies as a whole, throughout the world, is not sparing Morocco, which is moreover still sustaining a war to safeguard its territorial integrity. It can meet these challenges the more easily if it presents a united domestic front characterized by effective national solidarity and peace.

No other body than this honorable assembly, constituting the reflection of the nation's vitality, can provide a better platform for an appeal for perfect solidarity and activation of effort to pursue the work of building up the country. That is not in the realm of the impossible for a country whose guide and guarantor of unity is his majesty King Hussein II."

[For Table, please see next page]

Table: Outline of Budget Bill

(In millions of dirhams)

<u>Item</u>	<u>1982</u>	<u>1983</u>
Total charges	46,765	53,309
Total resources	39,900	44,441
Excess charges	6,865	8,868
Operations	22,555	26,539
Equipment	16,807	18,677
Public debt	4,450	5,700

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CSO: 4519/103

OAU COMMITTEE PROPOSAL CRITICIZED

AB201336 Paris AFP in English 1327 GMT 20 Feb 83

[Text] Nairobi, Feb 20 (AFP)--Morocco has expressed disappointment at the result of last week's OAU committee meeting here to try to resolve the crisis over the twice abandoned OAU summit.

The 12-nation committee said the summit should be moved from Tripoli to Addis Ababa for May or June, but gave no indication how the points at issue--Chad and the admission of the SDAR--should be resolved.

Morocco, whose troops are fighting the SDAR's Polisario guerrillas over western Sahara, led a boycott of a score of states at the first Tripoli summit last August, which resulted in the conference being abandoned because of a lack of quorum.

A statement issued by the Moroccan Embassy where last night said that the conclusions of the 12-member committee "unfortunately disappoint the aspirations of some countries in these difficult circumstances facing the African continent and reflect its inability to reach a compromise solution which might put the OAU again on the path of unity."

The statement charged that in making it implicitly understood that "the so-called SDAR should participate in the deliberations of the 19th OAU summit, the committee had turned its back even on the conditions which had prevented a quorum being reached during the OAU Council of Ministers meeting in Tripoli last November."

Morocco had "hoped that the contact committee would recommend the reactivation of the mandate of the OAU implementation committee on the western Sahara in order to reach a final solution to these problems," the statement said.

"The deliberate ambiguity which shrouds the result of the contact committee meeting adds to the confusion in which Africa finds itself engulfed in the past year," the statement added.

It noted that the "flagrant imbalance which characterised the composition of this committee had made possible the intransigence and extremism of

certain member-countries of the committee to prevail and deaden the voice of moderation, the sense of responsibility and the supreme interest of Africa."

"The extremists have shown, once again, their premeditated will to deepen the schism within the OAU and to lead this organization to the point of no return," the embassy statement charged.

The committee meeting was chaired by Kenyan president and OAU Chairman Daniel Arap Moi and was attended by Presidents Shehu Shagari of Nigeria, Julius Nyerere of Tanzania, Kenneth Kaunda of Zambia, Milton Obote of Uganda, Mengistu Haile Mariam of Ethiopia, Denis Sassou-Ngesso of Congo, Libyan Prime Minister 'Abd as-Salam Jallud and the foreign ministers of Angola, Mali, Lesotho and Mozambique.

CSO: 4500/95

'MAP' CRITICIZES SPANISH REACTION

LD151352 Rabat MAP in English 1214 GMT 15 Feb 83

[Text] Rabat, (Feb 15 (MAP))--The general outcry, supported by a vehement campaign led by the Spanish press of all trends, which was raised by the resolution of the Council of the Arab Parliamentary Union on Ceuta and Melilla, highly surprised Moroccan political milieux.

The most surprising thing is not the reaffirmation of the Spanish stance, as this stance has been reiterated on many occasions by Madrid, but the harsh tone used by Spanish officials as well as by Spanish press.

This makes the Moroccan milieux wonder on the idea being circulated in Madrid on the reality and quality of relations that must exist between two countries sharing centuries of history and which are doomed to understand each other and to co-exist, to face the same dangers and to plan for a better regional economic harmony.

Several Spanish commentators including official ones yielded to emotion, and instead of musing over the moderation of the resolution adopted by Arab parliamentarians, instead of trying to safeguard the future of the two countries' relations, they uttered offensive words toward Morocco and toward the elects of the Arab nation.

These commentators surpassed themselves in looking for the most extravagant motivations to explain the Moroccan claim which is just, justified, permanent, and which has been formulated in the respect of the Moroccan political credo which makes of the [?] of brotherly relations with neighbouring, brotherly and friendly countries a constant of its foreign policy.

Moroccans are upset by such a reaction which ignores the proprieties that must characterize the attitudes and statements of any official under any circumstance, especially as Morocco has always placed his relations with Spain in a global context based on realistic and constructive data, while on the other side of the strait, they want to bring everything back to the fishing agreement which, if it is not prorogated to conclude in due time, can only be explained, according to Spanish analysts, by Moroccan internal difficulties that necessitate a general mobilization to deviate the attention from home economic problems.

Such an attitude recalls another sad memory, note the Moroccan political milieu, when Morocco decided to resort to the international court of justice to prove the validity of its claims over Western Sahara. Yesterday like today, Morocco only resorts to the most peaceful means while respecting international legality to recover its inalienable rights over its Sahara.

The same commentators, the same voices had then vilified the legal and legitimate action of Morocco, resorting to the same subterfuges and the same arguments that are today printed in dailies and broadcast in more or less official radios.

Morocco, faithful to its ethics and to its political credo, will not overlook the obligations of good neighborhood and brotherhood. Yesterday like today, Morocco remains in the sense of history.

CSO: 4500/92

MOROCCO

BRIEFS

NEW ORGANIZATION REPORTED--Paris, 15 Feb (JANA)--It has been learned in Paris that a Moroccan intellectual group is now engaged in the formation of a new organization in Morocco under the name of the Organization of Popular Democratic Action [Munazzamat al-'Amal ad-Dimuqrati ash-Sha'bi]. It is common knowledge that this group has been publishing an intellectual and political paper under the name of ANWAL since 3 years ago. [Text] [LD151552 Tripoli JANA in Arabic 1450 GMT 15 Feb 83]

CSO: 4500/92

INTERNATIONAL FIRMS BID FOR OIL PIPELINE CONSTRUCTION PROJECT

Khartoum SUNA in English No 4381, 25 Jan 83 pp 1-2

[Text] Khartoum, Jan. 25 (SUNA)--Six international consortia were invited on Jan. 14 to bid for the construction of a 1425-klm. pipeline from Unity oil field near Bentiu to Numayri terminal on the Red Sea, according to a press release by Chevron Oil Company of Sudan Managing Director W. C. Bellinger.

The bid requests provide the contract terms and specifications of the pipeline. They also contain specifications for plant and equipment required for producing the oil including secondary recovery facilities in the oil fields to improve the overall recovery of oil from the fields, said the release.

The bids which come within the context of agreements reached between the government of Sudan and Chevron will be submitted in April, stated the release.

Preliminary work which includes road building, site preparation, surveying and soil investigations are underway, it said.

The whole construction programme will be finished by the end of 1985, according to the release.

It is understood that the bidding consortia are:

<u>Consortium Make up</u>	<u>Country of Origin</u>
A) Japanese Gas Companyu	Japan
Spie Capag	Japan
Nissho I Wai	Japan
Marubeni Trading Company	Japan
Williams Bros. Engr.	U.S.
Williams Bros. International	U.S.
Wimpey	England
B) Mannesmann	W. Germany
C) Snam-Progetti	Italy
Saipeim	Italy

Consortium Make up

Chiyoea
Reading & Bates/Tafrah

D) Technip
Thyssen
Foster Wheder
Entropose/GTM

E) Nacap
Tecnicas Reunidas

F) Daewoo

Country of Origin

Japan
U.S./Saudi Arabia

France
W. Germany
France
France

Netherlands
Spain

South Korea

CSO: 4500/93

UPGRADING CHROME PRODUCTIVITY FOCUS OF DEVELOPMENT

Khartoum SUNA in English No 4381, 26 Jan 83 pp 7-8

[Text] Khartoum, Jan. 26, (SUNA)--The Arab Mining Company has proposed to enter into partnership with Sudan for mining development, exploration and upgrading the productivity of chrome ore in Ingessana Hills, Blue Nile Province.

Sudanese Mining Corporation General Manager Mustafa Aba-Yazid told aSUNA that a delegation of the Amman-based Arab Company paid a visit to the Sudan last week and proposed the setting up of a 10-million dollar joint venture for exploitation of chrome in Ingessana Hills.

Aba-Yazid said the delegation made an assessment of the ore and prepared a report for submission to a meeting of the Arab Mining Company in Amman next March to consider establishment of the proposed Company before the end of this year.

The Ingessana chrome is presently being mined at an amount rate of 20,000 tons and the general Manager said that this rate would be raised to 40,000 after the proposed Company commences operation and that even at the proposed rate the chrome mining operations could go on for 15 years and that additional reserve could be found in the area.

Aba-Yazid has disclosed that the present 20,000-ton output earn the country three million dollars annually and that a quantity of about 30,000 tons is presently at al-Damazin awaiting transportation to Port Sudan.

He said construction of a proposed ferrochrome plant at al-Damazin had been postponed for the time being in view of the high cost of power and transportation from the mining sites to Ad Damazin.

Aba-Yazid also said a feasibility study is currently being made on tungsten at Jabal Ayyub, Red Sea Hills.

Aba-Yazid went on to say that another mineral--wallastnite--was discovered in the Red Sea Hills on which Finnish Patrick Company is carrying out a feasibility study. It has been agreed that a joint venture of the said Finnish firm, the Sudanese Development Corporation, Sudanese Utarid Company (private sector) and the Finland Development Fund would be set up for exploitation of the mineral.

CHEVRON TUGBOAT LAUNCHED

Khartoum SUNA in English No 4382, 26 Jan 83 pp 8-9

[Text] Rebek, Jan. 26, (SUNA)--A tug-boat of Chevron Oil Company (Sudan) named (Hantoub) was launched here yesterday.

Speaking at the landing ceremony, Energy and Mining Minister Sharif al-Tuhami has said Hantoub would be a first-step in augmenting the river transport and its role in the Sudanese economy.

This boat would be followed by two other tug-boats and nine barges with a total loading capacity of 9000 tons at a cost of over 5 million dollars, Dr. al-Tuhami said.

He said the launching of Hantub Tug-Boat was part of the tremendous and appreciated efforts being exerted by Chevron Company and reflected sincerity of the Company and the Sudanese government for exploiting oil.

Such boats and barges would bolster low-cost transportation, Dr. al-Tuhami said adding that those effort in addition to being an investment in infrstruc-ture which is a pillar of development, also refuted allegations of rumourmongers.

Chevron Company Manger Bellinger also made a speech in which he thanked the Ministries of Transport and Energy for the assistance they had exerted and the Dutch ship-building Company which built Hantub and is building the other boats and barges,

He said Chevron had laid down a plan for using the numerous rivers in Southern Sudan as a major means of transportation .

The ceremony was also addressed by Transport and Communication Minister Khalid Hasan 'Abbas and Central Region Governor 'Abd-al-Rahim Mahmud who both praised Chevron for the efforts it is exerting.

In a statement to SUNDA, Mr. William Swan, Chief engineer of the Dutch Ship-building Company, has said Hantub Tug-Boat is 28 m. long and 9.6 m. wide and is equipped with one generator, two engines and two cranes . The 740-horse boat runs at a speed of 16 kilometres per hour, he said.

Mr. Swan added that a second boat, Wahidah, would be launched next February and a third one, Soriyah, would be launch next April and that three out of nine barges were already in action.

He pointed out that his company had undertaken the building of the boats and berges in addition to the harbour employing 15 Dutch technicians plus Sudanese, Chinese and Indian technicians and labourers.

CSO: 4500/93

BRIEFS

SUDAN-FRG COOPERATION--Khartoum, Jan. 27, (SUNA)--Energy and Mining Minister Sahrif al-Tuhami and H.E. the Ambassador of the Federal Republic of Germany (FRG) here yesterday reviewed work progress in a number of energy projects to which FRG is contributing; including the Power III Project which is partly financed by the FRG Government. The meeting also discussed means of seeking German aid for financing a proposed new electricity control centre, the Khartoum North new power station and the Sudanese-German cooperation programmes in the sphere of geological survey. It further touched on means of utilizing the German aid in the search for primary energy sources, in collaboration with the National Authority for Energy here. [Text] [Khartoum SUNA in English No 4383, 27 Jan 83 p 1]

SUDAN-EEC COOPERATION--Khartoum, Jan. 27, (SUNA)--Transport and Communications Minister Khalid Hasan 'Abbas was briefed yesterday morning by the visiting delegation of the European Economic Community (EEC) on the progress of work on the projects the Community is financing in the country. The Minister expressed satisfaction over the existing cooperation between the Community and the Sudan in the spheres of transport and communications. It is worth noting that the EEC is financing the replacement of the rail line between Abu-Zabad and Babanusah, the modernization of the rail line between Port Sudan and Hayya, the revival of the Suakin old harbour, the study of the Nile course and its tributaries for the promotion of the existing navigational links and the construction of the International Telephone Exchange that would provide direct telephone linkage between the Sudan, Western Europe and the United States. [Text] [Khartoum SUNA in English No 4383, 27 Jan 83 pp 1-2]

SWEDISH TECHNICAL AID--Khartoum, Jan. 27, (SUNA)--Director of the National Electricity Corporation Muhammad Nasr Abu-Bakr told SUNA that consultations will be made with the visiting delegation of experts from the Swedish organization for technical aid to outline a training programme for the staff of the hydro-electric power stations at al-Rusayris, Sannar and Khasm Al Qirbah and to provide technical assistance. It was decided that the delegation will visit Ad Damazin and Sannar, SUNA learned. The Swedish Ambassador to Sudan, resident in Cairo, met here last week with the State Minister at the Ministry of Energy and Mining to prepare for the delegation's visit. [Text] [Khartoum SUNA in English No 4383, 27 Jan 83 p 2]

SUDAN-TURKEY TRADE PROTOCOL--Khartoum, Jan. 27, (SUNA)--Sudan and Turkey yesterday signed a commercial and economic cooperation protocol. The signatories of the protocol were Ahmad Salim the State Minister at the Ministry of Cooperation, Commerce and Supply and the Turkish State Minister for External Economic Affairs. Salim hailed the efforts being deployed to sign the protocol which he said would eventually broaden fields of cooperation between the two countries. The Turkish State Minister affirmed his country's readiness to provide aid for the Sudan. The Turkish Minister leaves here today for his country while the accompanying delegation will continue meetings with Sudanese counterparts. [Text] [Khartoum SUNA in English No 4383, 27 Jan 83 p 4]

CSO: 4500/93

BAHRAIN

BAHRAIN OIL REFINERY REDUCES OPERATIONS, EXPENDITURES

GF110800 Manama WAKH in Arabic 0615 GMT 11 Feb 83

[Text] Manama, 11 Feb (WAKH)--The Bahrain Petroleum Company, BAPCO, has begun to reduce its expenditures in light of the recent decisions made by Bahrain's Higher Petroleum Council. The company has dispensed with the services of some of its contractors. It has also reduced the capacity of its refinery to 90,000 barrels a day. Previously, the refinery's capacity was subject to supply and demand conditions in the world oil market.

An official of the Bahraini Ministry of Development and Industry said: "The world oil market is currently subject to an undeclared price war. Supply exceeds demand. The Soviet Union has begun to introduce into the market oil supplies at low prices." The official said that the region is still waiting and closely following developments in oil prices.

In its meeting on 9 February chaired by Bahraini Prime Minister Shaykh Khalifah ibn Salman al Khalifah, the Higher Petroleum Council adopted a number of decisions and new measures to meet the great fall in demand on petroleum products. The council decided to temporarily reduce the oil refinery's operations and expenses. It was also decided to reduce the number of administrative units in several establishments and companies in the petroleum sector so as to save manpower and the cost of services and reduce the cost of production in the various petroleum industries.

CSO: 4400/199

KUWAIT

RESTORATION OF TIES WITH EGYPT URGED

GF151833 Kuwait AL-SIYASAH in Arabic 14 Feb 83 p 1

[Editorial by Ahmad al-Jarallah: "Restoration of Relations With Egypt Has Become an Urgent Necessity"]

[Text] The available information indicates that during this week more than one important Arab country will announce the restoration of relations with Egypt. Actually, these relations have already been unofficially reestablished. For example, the visits of Egyptian officials to Jordan and Baghdad and Yasir 'Arafat's continual statements on the restoration of relations with Cairo are an indication that these relations have actually been reestablished. The Iran-Iraq war has proven that we are in need of Egypt.

Despite the signing of the Camp David accords and despite the continuous commitment to these accords, the Egyptian political leadership has proven to be stronger than all in affirming the Arab rights, particularly in its international relations, which are closer to the international public opinion than the relations of some Arab countries, which sometimes charge the mountains like goats with delicate horns. The information indicates that the coming days will witness the restoration of relations with Egypt.

Cairo's importance is not only confined to the political side. It extends to the economic side as well because Egypt is considered a source of human strength, a great consumer market and a producing country for the entire region. Moreover, Egypt's human strength is quite important for the Arab world and can replace all the people who come from southeastern Asia to this world.

The hesitation which accompanies the decision to reestablish relations with Egypt is an unjustified hesitation. The peoples of the Arab world now know that there are deeply expanded fields of cooperation between Egypt and Iraq and between Egypt and Jordan and many other Arab countries and that this cooperation has become a popular Arab demand even for those who are affected by the guided information media. The official restoration of relations with Egypt has not only become a unanimous demand, it has also become an urgent issue.

CSO: 4400/202

KUWAIT

FOREIGN MINISTER RECEIVES LEBANESE NASIRITE LEADER

LD152050 Kuwait KUNA in English 1628 GMT 15 Feb 83

[Text] Kuwait, Feb 15 (KUNA)--Deputy premier, Foreign and Information Minister Shaykh Sabah al-Ahmad conferred here Tuesday with leader of the Lebanese Independent Nasirite Movement "al-Murabitun" Ibrahim Qulailat [KUNA spelling] and an accompanying delegation on the overall situation in Lebanon in light of the Israeli occupation.

Qulailat described his two-hour meeting with Shaykh Sabah as highly important because it was an opportunity to review recent events in Lebanon and discuss means of confronting the most dangerous era challenging the Arab national questions on the Lebanese arena.

In a statement to KUNA, the Lebanese leader added that the meeting was also important as Shaykh Sabah had closely followed up developments of events in Lebanon and all related issues.

Qulailat expressed satisfaction that "Shaykh Sabah and the State of Kuwait are seriously and actively concerned with national duties towards Lebanon and the people of Lebanon and towards all other events on the Lebanese arena."

The basic aspect of such concern is represented in working for retaining Lebanon's unity, independence and its Arab status, he added.

The Murabitun chief said that their views were identical towards the fact that the Arab and Islamic countries must shoulder their responsibility in the social development of Lebanon in addition to easing the negative aspects of the war imposed on the Lebanese people.

Such an endeavor would prevent the exploitation of daily sufferings to serve the Zionist enemy's interest, Qulailat said, adding that they will also serve the implementation of the 1967 war targets.

He elaborated that Israel would exploit that de facto situation to impose the normalization of relations on the Lebanese people and to direct a blow to the Arab nation's history and civilization.

The meeting also covered other mideastern questions which have an impact on the Lebanese problem with special emphasis on means of fighting the outcome of the June Four War and the Israeli military occupation of Lebanon.

The Lebanese leader affirmed that both sides jointly asserted the importance of the free Palestinian decision-making which would strengthen the Palestinian cause.

CSO: 4400/202

ASSEMBLY COMMITTEE REJECTS PROPOSED AMENDMENTS

GF141051 Kuwait ARAB TIMES in English 13 Feb 83 p 1

[Text] The legislative and legal affairs committee of Kuwait's National Assembly yesterday published a report giving its reasons for recommending rejection of all the amendments of the constitution proposed by the government.

The report said the amendments were rejected because the committee "does not want to touch the principles of freedom and equality or their safeguards, and to preserve the stability and firmness of the constitution."

The amendments had been passed to the committee for study, and its recommendations will now go back to the National Assembly.

The committee rejected the amendment to give the amir extra powers because it allowed the amir, in extraordinary circumstances and according to an authorization from the assembly, to issue decrees having the same power as law. The amendment thus gave the executive the same law-making powers as the legislative branch, and this was not acceptable, said the committee.

The committee also rejected an amendment cancelling the assembly's right to decide the urgency of a draft law and giving this power to the government. The amendment also gave the assembly 30 days to ratify a law considered urgent by the government.

The committee pointed out that the right of proposing laws belonged to the legislature, whereas this amendment increased the government's law-making powers.

Another amendment was rejected because it cancelled the right of the assembly to reconsider a draft law which failed to obtain a majority vote in the assembly.

The committee said the assembly had the right to reconsider draft laws if they were not ratified by the head of state. The amendment made this impossible, because it required 44 out of 50 deputies to approve a rejected draft when it was presented again.

The committee also said the amendment would encourage the government to reject draft laws approved by the assembly.

On the other hand, the committee said, the government would need only the deputy to join ministers to ratify a government draft, even if the draft had been rejected by 16 deputies and the rest abstained.

This privilege is not written into any other constitution in the world, the committee claimed.

The committee recommended rejection of an amendment on martial law because it gave the executive the absolute power to declare it, with the assembly only being informed of the decision.

The assembly would not be consulted, even though such a decision was a grave one.

The amendment was also not acceptable because it doubled the period during which the assembly had to be informed of the declaration of martial law from three to six months.

The committee added that the amendment was not justifiable because martial law had been declared only once before--for six months in 1967.

The committee rejected an amendment which increased the number of deputies from 50 to 60 and which regarded ministers as deputies because the amendment would give the government a voting advantage in the assembly.

The committee rejected an amendment to extend the terms of the assembly from four to five years because "such an amendment serves no useful purpose."

An amendment requiring a newly elected assembly to meet within 30 days instead of 15 days was also rejected because, it said, such an amendment would give time for the government to collude with the legislative branch which was "very dangerous," especially after a dissolution of the assembly.

The committee said that two weeks was sufficient for consultations. The committee also rejected the idea that two weeks instead of one week were necessary for the election of committee members.

It similarly rejected the proposal to give the constitutional court rather than the assembly the power to decide on impeachments, and turned down amendments altering voting sizes on no confidence motions.

The committee rejected a proposal that H.H. the Amir could address the assembly without specifying the content of the address first, and it was also against the plan to cancel the present right to reply to the amiri address.

CSO: 4400/202

PALESTINIAN AFFAIRS

PLO'S AL-DAJANI INTERVIEWED ON PNC SESSION

LD161125 Riyadh SPA in Arabic 2142 GMT 15 Feb 83

[Text] Riyadh, 15 Feb (SPA)--PLO Executive Committee member Dr Ahmad Sidqi ad-Dajani has emphasized the importance of the 16th session of the Palestine National Council [PNC] which began in Algiers yesterday, describing it as one of the most important sessions held by the council, since it is held at a time when the Palestine revolution has matured after the battle of Beirut. Moreover it comes at a time when the international balance is clearly reflected in the Middle East region, requiring a clear Arab stance to confront the dangers threatening it.

In a statement he made to AL-YAMAMAH magazine, to be published tomorrow, Dr Ahmad Sidqi ad-Dajani said there are important and pressing issues on the agenda of the current session of the council. He said that after the battle of Beirut a number of peace initiatives emerged that make it incumbent upon us to make a move. He added that the council is called upon to draw up the course of this move very clearly, noting the nature of this period and the importance of setting out from a position of action and having the will to act. He pointed out that the council will discuss a number of political issues, the most important of which are the joint Arab move within the framework of the Fes summit, bilateral Palestinian relations with the neighboring Arab states and the Palestinian move on the international level.

Dr ad-Dajani emphasized that the PLO is determined in this phase of its struggle to carry out its duty to resist and to exercise its right to resist--a right guaranteed by all international charters. He affirmed that the Palestinian resistance will continue so long as the occupation exists.

With regard to the Palestinian-Jordanian negotiations, the Palestinian official said that the negotiations have resulted in principle in agreement on a confederation. What is required now is further efforts to mature the idea since the joint will is there and is determined by the need for a distinguished relationship created by circumstances of place and time and assumes a form of confederation that is capable of growing through the will of the two fraternal peoples who have extremely close links with each other. He said that the exchange of views between Yasir 'Arafat and

King Husayn and between the two leaderships in general is already taking place on a number of questions. What is required now is that this action be crowned by an Arab stance capable of adopting resolutions that would enforce all the conclusion reached at the Fes summit and would present aspects of the framework of peace, its basis, the sides involved and its practical steps. We expect Palestinian-Jordanian meetings shortly after the convening of the PNC and will adopt a course on this path.

Dr Ahmad Sidqi ad-Dajani stressed that the PLO uses the Arab peace plan, in whose formulation it participated at the Fes summit, as a clear criterion for all other peace plans. He explained that the closer these plans approach to the Arab peace plan the more they are accepted by the PLO, and that is why it is endeavoring with the rest of the Arabs to make others adopt the peace plan.

Regarding President Reagan's initiative, the Palestinian official explained that it does not meet the demands of the Palestinian people although it contains certain positive points. However, the organization has certain observations regarding this initiative. He said that the organization's view in the coming phase is to see that the international community adopts the Arab peace plan unanimously formulated by the Arab states.

CSO: 4400/200

PALESTINIAN AFFAIRS

JORDAN TV INTERVIEWS PLO OFFICIAL ON ISRAELI POW'S

JN121906 Amman Domestic Television Service in Hebrew 1750 GMT 12 Feb 83

[Jordan Television's interview with an unidentified official in charge of Israeli prisoners in Lebanon in Arabic, date and place not given--videotaped]

[Text] [Question] One of the officials directly connected with the issue of the Israeli prisoners has spoken about the treatment of these prisoners. He said:

[Answer] Our treatment of these prisoners has always been very humanitarian and has always far exceeded the stipulations of the UN resolutions and the Geneva conventions on the treatment of prisoners of war. This has been testified by all the journalists and International Red Cross representatives who have visited these prisoners.

[Question] How many journalists and news agency and International Red Cross representatives have visited so far and met with the prisoners?

[Answer] I cannot recall the number, but they have been visited by many journalists and world news agency representatives. They have been visited by the Red Cross more than five times.

[Question] If an Israeli journalist or news correspondent requested to visit them, would you allow him to?

[Answer] I cannot give you a direct answer, but if one of the brothers in the command gave us the order, we would allow any journalist, regardless of his nationality, to visit them. We would welcome him at any time.

[Question] I have another question. Every prisoner--as you know we have prisoners and they have prisoners--and every quarter looks forward to the day when these prisoners will be released. Can you tell us anything about this? On the exchange of prisoners, what has taken and what is taking place on this matter?

[Answer] Regarding the destiny of the Israeli prisoners here, it is obvious that we strongly insists on freeing a number of our prisoners taken by the Zionist enemy in exchange for these prisoners. Their destiny depends on their government's response to our conditions. We have sent our conditions to their government through the International Red Cross. We are still awaiting their government's answer. This is one aspect of their destiny. I have also noticed that you have talked to the prisoners about the treatment they are getting. You also asked me about their treatment. Actually, regarding their treatment, and so this will not come as a surprise to anyone, I would like to point out one thing: we cannot

continue to treat them in this humanitarian manner while their government and army are treating our prisoners in al-Ansar Camp and in the prisons of the occupied territory in a savage and terrorist manner. I believe that everyone must have heard recently about the martyrdom of many of our hero prisoners at enemy hands in al-Ansar Camp and elsewhere. We absolutely cannot continue to treat them so well while the enemy continues its savage treatment. We will be forced to change our method of treatment.

[Question] You mean the good treatment they are getting here.

[Answer] Correct.

[Question] In comparison to the bad treatment which our prisoners are getting.

[Answer] Correct. As I told you, this is clear to all the journalists and international organizations.

[Question] But I believe that the treatment which the prisoners are getting here stems from the noble character of the Palestinians and from nothing else.

[Answer] Actually, there is no other reason, only the humanitarian nature of our revolution and our fighters.

[Question] Thank you.

CSO: 4400/203

PALESTINIAN AFFAIRS

'AL-QABAS' INTERVIEWS PPSF OFFICIAL ON PNC

GF091340 Kuwaiti AL-QABAS in Arabic 7 Feb 83 p 11

[Interview with Dr Samir Ghawshah, secretary general of the Palestinian Popular Struggle Front [PPSF] by AL-QABAS correspondent Khalil at-Taqi in Damascus--no date given]

[Excerpts] [Question] The 16th session of the Palestine National Council [PNC] will be held under circumstances that are different from all the circumstances that prevailed during the convening of the former sessions, particularly after the legendary stand in Beirut--which should have led to the actual independence of the Palestinian decision and to employing that independence to intensify military action so political action could be based on a powerful position. Do you think that this has come to be? How is this to be reflected in the next PNC meeting?

[Answer] The objective circumstances of the 16th PNC session are very delicate and hard. They are different from all the previous conditions the prevailed during the convening of the past PNC sessions.

Our persistent struggle must continue in order to reach a unified national position among the various factions. Undoubtedly, this entails holding expanded meetings for the Palestinian leadership in order to reach a joint platform. Consequently, the PNC can convene under suitable conditions despite the hard objective conditions that prevail. The following days and weeks are the practical test for every faction to demonstrate practical adherence to the Palestinian unity and practical adherence to the independence of the Palestinian decision. This matter entails holding meetings in an open-minded atmosphere in favor of reinforcing Palestinian national struggle. If this does not take place, then the Palestinian arena will be divided and this will negatively reflect on our Palestinian national struggle.

[Question] The latest Arab summit presented for the first time an Arab view of peace, and this was represented in the Arab plan which was carried by the seven-member committee to the capitals of the big countries. Do you think this plan ensures the minimum limit of the aspirations of the Arab Palestinian people?

[Answer] We announced our position the very first moment the results of the Arab summit in Fes were announced. We regarded the so-called "Arab peace plan" as not meeting the minimum limit of our aspirations for the Palestinian people. It is a blow to the Palestinian national struggle and a frustration of the aspirations of the Palestinian people. We believe that the Arab summit in Fes cannot achieve the desirable minimum limit since it ruled out the military option and dropped using the economic and military capabilities of the Arab nation in the confrontation of the enemy.

In light of that, we view the Fes summit as constituting a blow to the Palestinian national struggle. Moreover, this summit does not represent in any way the minimum limit of our people's aspirations. On the contrary, it constitutes pressure on our people to force them to abandon their right to their homeland, Palestine. That is why we opposed the so-called "Arab peace plan." We adhered to our struggle and to our demands for our national Palestinian rights, foremost of which are the right to return to Palestine, the right to self-determination, and to the establishment of an independent Palestinian state.

In addition, we began massing all the political, military, and economic capabilities of our nation in order to expand the military and political conflict with the enemy and to change the balance of power in our favor. This will consequently lead to achieving the national goals of the Palestinian people through ensuring the strategic goals of our nation.

[Question] The PLO's relations with Jordan after Beirut has caused much argument within Palestinian circles. How do you view the nature of these relations at present and in the future and on what basis should these relations be established?

[Answer] The current stage has affirmed a number of facts and eliminated doubts of some people regarding Jordan's position and the PLO's relations with Jordan. After the exit from Beirut, the facts of the Jordanian position were clearly understood through Jordan's readiness to accept in one way or another the Reagan plan and the continuous attempts of the Jordanian regime to convince the PLO to recognize the Zionist enemy. The coming weeks will reveal the dilemma of Palestinian-Jordanian relations.

CSO: 4400/200

PALESTINIAN AFFAIRS

PALESTINE BROADCAST ON DISPERSION FROM BEIRUT

JN152111 Damascus Domestic Service in Arabic 1630 GMT 11 Feb 83

[Palestine broadcast: "Historical Facts" by 'Abd al-Rahman Ghunaym]

[Text] Brothers on the road to revolution and liberation. When the Palestinian exodus from Beirut took place, people wondered why this exodus took the form of dispersion? Could not the Palestinians go to one place and to positions close to the battlefield?

Many questions were posed: Was U.S. pressure behind this dispersion? Were there real obstacles to transferring the fighters to positions close to the confrontation line. Were there certain considerations behind this dispersion. Did the Palestinians choose this dispersion or were they forced to disperse? One big question can replace all these questions: Why does this dispersion not end? Who prevents the Palestinian forces' reunion? Nobody is now convinced that this dispersion was a compulsory rather than a voluntary affair. There is a conviction that this dispersion is tied to the desire of the Palestinian right for reasons better known to it. This dispersion is part of the rightists' viewpoint which considers the armed struggle a decoration to support their private political activities on which they depend to reach an sort of solution. This phenomenon is logical conclusion of the rightist mentality which by nature tends to support compromises. Even when some of the rightists take extremist views at certain stages, their stamina is usually shortlived. In fact this is the motive behind their extremism because their impatience leads them to obtain quick results even if this requires great concessions and constitutes a deviation from the principled national aim.

Because of their historical experience, the Palestinian people are well aware of the rightist mentality, inclinations and targets. The 1936 revolution in Palestine was aborted by the rightist mentality which preferred to stop the strike and the escalation of the armed revolution. It was satisfied with Britain's promise to revise its policy on Jewish immigration to Palestine. The same thing is taking place now. They talk about Reagan's promises to force Israel to freeze the settlements. The current path of the rightist mentality is a repeat of this historical experiment which should have been a lesson to prevent the repetition of the same error.

CSO: 4400/203

PALESTINIAN AFFAIRS

SWEDISH PAPER INTERVIEWS 'ARAFAT

PM170809 Stockholm DAGENS NYHETER in Swedish 13 Feb 83 p 13

[Interview with PLO leader Yasir 'Arafat by Birgitta Edlund: "Struggle Against the Victors--Using All Available Means"--in Tunis; date not given]

[Excerpt] [Introductory passage describing circumstances of interview and 'Arafat's biography omitted] On Monday [14 February] the Palestinian National Council meeting will start in Algiers--the first since the war.

'Arafat is likely to emerge from the meeting a little ruffled, but as natural leader. None of his critics within the PLO have yet mentioned him by name.

For many Israelis and for many people outside Israel he is the symbol of "terrorism." For the majority of Palestinians he is the symbol of the hope that they will one day repossess their fathers' land.

Perhaps the Palestinians are beaten, driven out of their base in the Lebanon, but they do not feel conquered. 'Arafat proudly told of the Palestinian military parade which took place a few weeks ago in Aden, the capital of South Yemen.

"This is the second Palestinian miracle," he said. "Our rapid reconstruction. The first was that we held out against the powerful Israeli-U.S. army during the longest Arab-Israeli war without ultramodern U.S. arms."

In the late fifties Fatah scourged the Arab states in the newspaper OUR PALESTINE. The Arab states were described as hypocritical and sanctimonious, never putting any force behind their words.

There is still the same bitterness among the Palestinians now in Tunis. The ultimate treachery took place in the summer, they consider, when the Palestinians stood alone against the Israeli army.

"God preserve me from my brothers," a PLO man said. "At least you can choose your own enemies."

[Question] Are the Palestinians back where they were in the mid-sixties?

[Answer] "After the summer's heroic struggle we have become catalysts. I feel that a greater sense of responsibility has grown among the Arabs not only for the Palestinians, but for the whole Arab nation.

This was very clear after the Fez meeting. (In September a summit conference was held in Fez and an Arab peace plan for the Middle East adopted.) Through our great efforts we arrived at this important plan and other important resolutions.

We have reached a turning point in our region. In the future the Palestinians will play a decisive role.

[Question] In what way?

"There is no reason why I should tell you," he scolded.

"You must understand, however, what it means to be able to offer determined resistance during the longest Arab-Israeli war.

"We know our arena. We know that scenes change quickly. We also know how we should act," he said.

'Arafat has always been one of the moderate leaders within the PLO. He has always advocated cooperation with the other Arab nations, no matter how treacherous they may have been.

"It is impossible to change history's countdown," 'Arafat said. "History is on our side."

"Where are all the people who have conquered my country? Where are the crusaders, the tartars, Turks, Romans, Britons and Frenchmen? They are gone. But we remain. I am for history."

"Once we were occupied by the Romans. Then we sent a Palestinian fisherman to Rome, a lone Palestinian fisherman, Peter. He won the Romans' hearts. Such is our Palestinian inheritance, our Palestinian tradition," he said.

"These conquerors (Israeli) are simple. They cannot hide the sun with their fingers. These intruders and occupiers are blinded by the arrogance of power.

"Begin and Likud (Israeli Prime Minister Begin and his governing coalition) have still biblical dreams of a greater Israel between the Euphrates and the Nile. Just look at their flag with its two blue lines, which are the two rivers, with the Star of David in the center," he said.

"This is fact, this is real. The proof is our flesh and our blood."

'Arafat refused to concede that the PLO had received a blow to its heart when the Palestinian guerrillas were forced to leave Beirut and the headquarters were moved to Tunis, hundreds of miles from the enemy and large numbers of Palestinian civilians.

"Before we were spread over five Arab countries," he said. "Now we are in eight. Where is the problem? Is it a problem of strategic coordination?" he said.

"Since the invasion we have been making strikes behind the Israeli lines and in the occupied areas. Unlike them we have only attacked military targets," 'Arafat said.

"When they say that we do not exist, who have they been fighting against in the longest Arab-Israeli war--against ghosts?" he asked.

"We gave them a plan, a solution. We gave them the Fez plan. But they only say 'no.' No to the Palestinians, no to a Palestinian state. They are only interested in more violence, more expansionism, more violations," he said.

'Arafat has said several times that he accepts all the UN resolutions on Palestine, even the 1948 UN plan to divide it. A division of Palestine into a Jewish and an Arab state was proposed. Jerusalem was to be international.

In last fall's Fez plan one of the points was an independent Palestinian state with Jerusalem as its capital. The Fez plan is the only plan which 'Arafat has accepted word for word. Including the seventh point which mentions "the recognition of all peoples in the area to live in peace." This has been interpreted as indirect recognition of the existence of Israel.

When I asked 'Arafat whether this seventh point means indirect recognition of Israel he replied: "I have said that I accept the Fez plan word for word," he said. "How did you reach your interpretation of the seventh point? Don't be prejudiced."

'Arafat did not discuss the matter further. Nor did he discuss the burning question of Jerusalem's future.

When 'Arafat meets the Palestinian National Council in Algiers on Monday he will meet a storm of criticism from people who think that he has betrayed the goal of the Palestinian revolution--an undivided Arab Palestine--with his negotiations with Jordan's King Husayn on a federation.

Last fall tentative discussions began on a federation of a Palestinian West Bank and Gaza and Jordan. King Husayn is being urged on by the Americans who want to bring him into President Reagan's peace scheme.

President Reagan put forward on 1 September last year a seven-point plan. This advocated, among other things, a federation between Jordan and a Palestinian West Bank and Gaza.

The plan stated expressly that the United States will not support the establishment of an independent Palestinian state of the West Bank and in Gaza.

It also stated that the United States will not support annexation or permanent control by Israel.

The criticism of 'Arafat for his negotiations with King Husayn has been tough, not only from those groups traditionally opposed to Fatah. Some weeks ago five opposition groups met in Tripoli, with Libya's Colonel al-Qadhafi as host.

'Arafat does not consider that there are any trends toward splits within the PLO which could open at the National Council meeting in Algiers.

In the camps, where the Fedayeen, the Palestinian guerrillas, sit unarmed and powerless in the eight Arab countries, discontent is rife, after report has told of the outrages against unprotected Palestinian civilians in Lebanon. Around 'Arafat there is much dissatisfaction that little progress seems to be being made.

'Arafat admitted that he is concerned about the civilian population left in occupied Lebanon.

"They have started a new massacre," he said. "This time at 'Ayn al-Hilwah. ('Ayn al-Hilwah is the largest camp in southern Lebanon outside the coastal city of Sidon.)"

Many Palestinians fear that Palestinian desperation will end in new terrorist acts like the aircraft hijackings in the seventies.

This would swiftly change the picture of the Palestinian struggle in the eyes of world opinion.

'Arafat does not think that the desperation will win out over discipline.

"I know my people," he said. "This is not our first trial, nor our last. However, soon our patience will be exhausted. We have given several warnings."

"When you Europeans were occupied by the Nazis, did you not resist?" he asked. "Why should my people not resist those occupying their country?"

He ended the interview by delivering a short, statesmanlike speech of thanks to Sweden and the Swedish people for their help and support to the Palestinians who suffered during and after the war.

He will visit Sweden later this spring at the invitation of the Social Democratic Party.

Does he hope for recognition of the PLO as the only rightful representative of the Palestinian people? He burst out laughing.

"Do not forget that I, when all is said and done, am chairman of the PLO."
[concluding descriptive paragraph omitted]

CSO: 4400/203

PALESTINIAN AFFAIRS

PLO'S AL-WAZIR ON LEBANON WITHDRAWAL, TIES WITH SYRIA

PM161617 Jidda 'UKAZ in Arabic 11 Feb 83 p 17

[Interview with Khalil al-Wazir, deputy commander in chief of the Palestinian Revolution Forces, by Muhammad Mahjub--date and place not given]

[Excerpts] [Question] Will the Palestinian forces leave Lebanon after an agreement to this effect is reached with the Lebanese Government and will the departure of the resistance forces be linked to the withdrawal of the Syrian and Israeli forces?

[Answer] We have always stressed, through brother Abu 'Ammar [Yasir 'Arafat] and through all spokesman, that the PLO and its forces will not be an obstacle to Israeli withdrawal. We are very anxious to maintain Lebanon's unity, independence and territorial integrity. When we see this Israeli intransigence and insistence on a status quo policy in Lebanon we can perceive the bitter and painful fact of which every Arab should be aware, which is that this enemy is always keen to achieve his ambitions. They came to Lebanon under the pretext of ousting the Palestinians from southern Lebanon and Beirut. Now 4 months after the Palestinian withdrawal of the Israeli enemy is still there. Why? The answer is clear. This enemy came to achieve his ambitions and aggressive objectives more than anything else. For this reason we see him clinging to his occupation and consolidating his presence; we have seen him stepping up his repressive measures against both the Palestinians and the Lebanese whether in Beirut or southern Lebanon. The stirring up of internal conflicts and what we now see on the Lebanese scene is an Israeli plan which is being implemented in order to dismember the Lebanese homeland. All this goes to prove that the Palestinians and their presence were not the cause of disturbances. The Palestinians have departed but the objectives behind creating this situation, which is to rob Lebanon of its stability and independence, are still the same.

[Question] What about Palestinian relations with Syria?

[Answer] We are always anxious to have normal relations with the brothers in Syria. This is the Palestinian revolution's constant policy. All the differences that arise in the meantime we consider secondary issues. We are anxious that our relations with all the Arab nation should be correct and sound because we regard the Arab nation as our protecting shield.

[Question] Do we understand from this that there are differences with Syria?

[Answer] We believe that differences are something secondary and are bound to vanish quickly. After the Palestine National Council [PNC] meeting there will be further dialogue in order to form a clear picture of these relations.

[Question] Do these differences not affect the Palestinian resistance's position in Syria?

[Answer] No, there are no such effects. In fact things are going on normally with regard to the Palestinian movements inside and outside Syria.

CSO: 4400/203

PALESTINIAN AFFAIRS

INTERVIEW WITH PLO'S KHALIL AL-WAZIR

JN111956 Paris Radio Monte Carlo in Arabic 1755 GMT 11 Feb 83

[Interview with Khalil al-Wazir, deputy commander in chief of the Palestinian Revolution Forces--identified by his nom de guerre Abu Jihad--by Radio Monte Carlo correspondent Nabil Darwish carried within "It Happened Tomorrow" program on 11 February--place not given; recorded]

[Text] [Question] Abu Jihad, Could you tell me how the Palestinian resistance views the current political crisis in Israel?

[Answer] Let us first not forget the nature of the crimes committed by the Israeli leadership against our Palestinian people and the Lebanese people. Also, we should not forget the well-planned continuous attacks this leadership carried out against our people--the attacks that left thousands of victims, wounded and displaced. Nobody will ever forget the moments of the Zionist aggression that brought with it devastation, ruination and destruction to southern Lebanon and Beirut as well as to every spot occupied by the Zionist aggressors. They used their war machine to launch violent air, land and sea strikes.

[Question] Abu Jihad, Allow me to interrupt you here. Do you think that the absence of Ariel Sharon from the Israeli Defense Ministry will, for example, speed up the current negotiations in Lebanon and the peace process in the Middle East and will it introduce changes [in Israel] concerning Ronald Reagan's plan and how do you envisage the repercussions of this resignation?

[Answer] As far as we are concerned, we believe that the crime is not one for which Sharon alone should be held responsible. The crime was committed by the Israeli military and political establishment. Sharon was the fall guy as far as this crime is concerned. However, we must say that the Israeli policy should be condemned in its entirety. Better still, the expulsion of Sharon will deeply affect the Israeli society because the principal motivator of this crime has collapsed. But we believe that the Israeli course with regard to the policy of massacres and aggression belongs to this establishment. Therefore, this, we believe, will neither affect the issue of negotiations nor the issue of peace moves, because this course being led by Begin and his cronies still exists. Certainly, the expulsion of Sharon is significant because the entire world now condemns the Israeli leadership and considers the massacres as the Palestinian holocaust.

[Question] The findings of the Israeli commission of inquiry have been interpreted by many circles in the west and in other places as being a criterion for democracy in Israel. Moreover, the Arab world failed to form any similar fact-finding commission. What is your comment?

[Answer] World Zionism and the Jewish community abroad are trying to exonerate themselves of the crime in front of the world. Thus, Sharon was condemned as the fall guy to exonerate the entire Israeli establishment. Nonetheless, facts will still have to show that the entire establishment is condemned. It is true that there is some kind of democracy in Israel. But we must realize that the establishment was very eager to form the commission so that not all the Israeli establishment would be indicted, only a fall guy.

[Question] At any rate, this event has proved that the peace now movement, which supported the formation of the commission of inquiry, has started to assume a certain role, and this was indicated by the movement's statement this morning. Would this stand and these findings prompt you to strengthen relations with the Israeli peace now movement?

[Answer] We said that this event would affect the very heart of the Israeli society. It has intensified contradictions and erupted divisions. No doubt all the voices that supported the Palestinian right and opposed the policy of aggression will be strengthened inside. This is an established fact. The peace movement activities will surely be intensified inside the Israeli society and contradictions will be widened in the future.

CSO: 4400/199

PALESTINIAN AFFAIRS

INTERVIEW WITH PLO EXECUTIVE COMMITTEE MEMBER 'ABBAS MAHMUD

LD130504 Algiers Voice of Palestine in Arabic 1700 GMT 12 Feb 83

[Interview with Abu Mazin ['Abbas Mahmud], member of the PLO Executive Committee and member of the Fatah Central Committee, by unidentified VOP reporter in Algiers; date not given--recorded]

[Excerpts] [Question] (?There was talk) about Palestinian-Egyptian relations. There was even talk about a meeting between the Palestinian leadership and some Egyptian officials. This has, of course, been denied. Can you talk to us about the nature of the Palestinian-Egyptian relations?

[Answer] When the Arabs--and this includes the Palestinian people--boycotted Egypt, they did this solely on account of the Camp David treaty which sought to alienate Egypt from the Arab nation and which was a separate solution Egypt had reached in isolation from the rest of the Arabs. As for the relationship with Egypt, there are some relations which we do not deny; for example with the patriotic Egyptian movement which represents opposition to the Sadat line and to Camp David. Recently, it was agreed between the resistance groups that a rapprochement with Egypt should occur in the same measure as Egypt begins to distance itself from Camp David accord and that this should be done via the patriotic Egyptian movement. All the contacts and relations which are now taking place and which took place in the past have been within this framework.

[Question] Brother Abu Mazin on the same ground we ask you to tell us how far relations with the King Husayn regime have gone?

[Answer] Palestinian-Jordanian relations began in 1976 with the formation of the joint committee for supporting the Palestinian people in the occupied soil. This relationship has developed further and further until today when a Palestinian-Jordanian dialogue concerning future relations between the Palestinian and Jordanian people was begun. We know full well that the Palestinian and Jordanian people have historic relations which are firm and quite different from relations between any two Arab people. It is from this that we thought about a formula with which we can link these two people after the liberation of the Palestinian soil. It has been agreed that this relationship would be distinguished and special; that is, a confederal relationship in the sense that after establishing the Palestinian state a confederal union will take place between the Palestinian state and the Jordanian state.

Palestinian-Jordanian relations have been proceeding with this framework. One would add to this the constant consultation about the political steps that will be taken in order to achieve this joint aim.

[Question] How does brother Abu Mazin visualize the future of diplomatic action concerning the Palestinian issue in the coming stage?

[Answer] At the Fes conference, we adopted the resolutions of this conference. We fought for them, we presented them and we took part in presenting them to the member states of the Security Council. Frankly, we did not support them just because they were of Arab origin; but we support them because we truly believe that such proposals might provide a just and comprehensive solution to the Palestinian issue. From here we see that the task in the future is that we adopt and adhere to these resolutions and fight for them at both Arab and international levels. In the contacts of the joint committee with the member states of the Security Council, we did not find any difficulty at all in putting forward the resolutions to the Soviet Union and China. We found that these two states share our approval and support for these resolutions. As for the United States, it still opposes these resolutions and has put forward a substitute--the Reagan plan. In my opinion Palestinian political action should be concentrated on the American people, in the sense that we should enter America through the American people as the Vietnamese did. The Vietnamese did not achieve victory by the force of arms alone but they triumphed when an important section of the American people began to support the justice of their cause.

Therefore, I feel that the basic task is for us to proceed in two directions: to western Europe--the peoples of western Europe--and to the American people and convince them of the justice of our cause. We must not leave the arena empty and let the zionists and Western imperialists have their say in this area which has such a great effect on international politics. Attention in the future should be concentrated in these two directions on information, political and diplomatic levels in order to convince the peoples of these states of the justice of the Palestinian issue. It is not enough that contact should be confined to states and governments because states and governments are useless. Public opinion must be pressured and this applies to America in particular because American people have no inhibitions. They tackle matters without inhibitions. They accept anything we put to them if it is convincing. Subsequently, they champion it and then they apply pressures on their government. (?The Vietnamese case is a very clear example).

[Question] Brother Abu Mazin, concerning the Fes summit resolutions, there has been a great shift, as we heard in the news recently, in regard to the Dutch attitude toward the Palestinian issue. There is a positive development but this development was constructed by the Dutch foreign minister who is visiting the Gulf area. There is a belief that he will meet with brother Abu Al-Lutf [Faruq Waddumi]. He built this attitude on the basis of combining the Fes summit resolutions with the Reagan plan. Is there a possibility of combining the Fes resolutions with the Reagan plan from the standpoint of the Palestinian leadership?

[Answer] In truth, regarding the Reagan plan, we do not reject it chapter and verse. To reject it chapter and verse is trifle talk since it does contain some positive aspects. However, there are also some basic negative aspects in it or basic attitudes which compel us to reject the Reagan plan. When the Reagan plan rejects the independent Palestinian state, when it rejects the PLO as the sole legitimate representative of the Palestinian people then we reject it for this reason. Therefore, I cannot imagine that there can be a combining of the Fes resolutions and the Reagan plan unless the American point of view changes and develops in the direction of recognizing the establishment of the Palestinian state and recognizing that the PLO is the sole legitimate representative of the Palestinian people.

[Question] In this framework the Gulf states (?rejected) Britain's attitude embodied in the refusal of its government to receive the seven-man committee. This problem reached the extent of rejecting the visit of British Foreign Secretary Francis Pym to the REA. Why was the same attitude not adopted toward the United States, from your standpoint, and how far did the (?efforts to solve this) go?

[Answer] In fact, when it was decided that the seven-man committee would go the states of the Security Council, there was no thought at first of sending a representative of the PLO to the western powers--to America and Britain in particular. But the program of this committee was amended in a way that the committee as a whole would go to all the countries. This took place before the departure of the delegation to the United States. The truth is that we did not insist on taking part in the delegation that went to the United States since at first we were not insistent on participating in any meetings with Reagan. The problem in regard to the British, however, was that the six-man committee which was formed by the Arab League during the Palestinian-Lebanese war was received. Brother Faruq Qaddumi was a member of that Arab delegation and there had not been any problem. We do not know why this problem was raised by Britain. This is one thing. The other thing is that Britain in particular bears a basic responsibility toward the Palestinian issue. It is the author of the Balfour declaration and all the tragedies which have fallen on the Palestinian people. Nevertheless, even now it insists on rejecting that (?a PLO delegate should be included) in the delegation. From here stemmed the Gulf stand--I beg you pardon, the Saudi stand--which refused to receive (?Francis Pym). Afterward, the efforts of the seven-man committee were hampered. They did not find a solution to sending the delegation in one form or another--a matter which made King Hassan II request postponement of the visit until a solution is found.

Acutally, after this British intransigence, we are resolved that a PLO delegate (?should be included) in the seven-man committee delegation. [Words indistinct] The seven-man committee, after conluding its visits to four of the member states of the Security Council--America, France, Moscow and Peking--still has to visit Britain or drop the visit. Then the Arab foreign ministers must meet to evaluate or assess the results of their visits to these states and present a report (?to the) kings and heads of state

of the seven-man committee. The results of these visits should then be submitted to the summit conference since the task of the seven-man committee ends with contact with the member states of the Security Council and with presenting the Fes resolutions to these states and listening to their viewpoints.

[Question] [Passage indistinct]

[Answer] [Passage indistinct] The Palestinian-Israeli war, which lasted well over 90 days, provided proof and evidence that the Palestinian people are resolved to establish their state [words indistinct]. I also believe that the Reagan plan with all its flaws came as a result of the war [words indistinct]. When Reagan says that the Palestinian people [words indistinct] and that the Palestinian issue is not an issue of refugees but an issue of a people who have some rights, then this is a shift which Reagan was forced to make. He was forced to make it by (?the war in Lebanon). In my own view, this war will strengthen the (?realization of the Palestinian state) because the world has become convinced that (?there is no solution to the Middle East problem without it) [words indistinct]. The problem lies with the American side. If we wanted to analyze the matter historically, we would find that America is the one which thought about establishing the Palestinian state before the early zionists like Hertzl to [words indistinct] thought about it or Britain either. The establishment of a Jewish state in Palestine was not necessarily in the interest of [words indistinct] the British thought about it in the first part of the last century. Therefore, the basic problem lies with the Americans. Have the Americans become convinced or are they not convinced in the existence of the Palestinian people? This does not come easily but with (?constant) Palestinian struggle. This struggle (?should be) developed at both political and military levels. [Words indistinct]

CSO: 4400/200

PALESTINIAN AFFAIRS

PLO CHAIRMAN'S ADVISER ON MILITARY ACTION

GF111642 Doha AR-RAYAH in Arabic 10 Feb 83 p 5

[Interview with Dr Nabil Sha'th, political adviser to PLO Executive Committee Chairman Yasir 'Arafat, by AR-RAYAH correspondent Salih Zaytun--no place or date given]

[Excerpts] [Question] Now that the war and military situation have cooled down, political action has come to surface, therefore I ask: Is political action one of the requirements for the next stage?

[Answer] Certainly not, I believe the next stage will witness an escalation in military action. Military action against the enemy in Lebanon and in the occupied territories will increase to strengthen the steadfastness of our people, particularly after the usurpation of 52 percent of our land in the West Bank, and to stop the flow of young people immigrating from the occupied territories whose number has totaled 10,000 people in 1 month.

[Question] Many parties have disseminated statements recently casting doubts on 'Arafat's line in the Palestinian leadership. How do you respond to this?

[Answer] Frankly speaking, I was very close to the revolution's leadership and to brother Yasir 'Arafat in particular in the last period, therefore I can say that some people are under the illusion that 'Arafat is torn between two options which are one, his rush to embrace political action with its implications of concessions and surrender to the enemy and the United States and two, his policy of suicidal military action, a thing which places the revolution between two impossible options. This is not true, because what is required is not a political or military suicide. Also what has been said that the Palestinian revolution's options are now limited after the Beirut battle is not true.

Believe me, the revolution's options now are better than those during the Beirut time, a hundred times better. Although Beirut was significant to us because for over 3 years, we did not direct one bullet toward the enemy when he used to attack us. The fire which we directed toward him was only after he violated the cease-fire, and thus we engaged in military action against him. The same situation applied in Syria, Jordan and Egypt. We

did not direct one bullet through the Syrian, Jordanian and Egyptian borders. But now, and after Beirut, we are in a state of permanent attack against the enemy because we are no longer bound to the previous restrictions. Therefore, we notice that what was important in the Tyre operations and in the increase of various operations behind the enemy lines in Lebanon is that they are a direct attack against the enemy's military forces and not suicidal operations or time bombs.

[Question] There are now various proposed plans which will probably sow confusion because of their contradictions. What is Palestinian logic amid this confusion?

[Answer] Our only logical move is that of Fes, despite all skepticism. This logic is not 'Arafat's personal logic but that of the PLO which approved it before and after the Fes summit. Those who divert from the Fes plan divert from the Palestinian line and not the other way round. In other words, the Fes plan is a Palestinian plan. However, even the Fes plan is unable to fulfill our aspirations, but it is a plan which can be implemented with difficulty under the present circumstances. Therefore, we do not have any other way in our political struggle except the Fes plan which was formulated through Palestinian desire despite the U.S. campaign through the Reagan plan on the eve of the Arab summit. The Arabs' acceptance of the Palestinian desire was a reflection of the commitment to the Rabat summit resolutions which make the Arabs bound to accept what the PLO accepts. This is an important point which some people skip when they concentrate on the fact of that the most important resolution among those of the Rabat summit is the one recognizing the PLO as the sole representative of the Palestinian people. Hence, the most important resolution among those adopted at the Rabat summit is the one stating that Palestinian will is the basis and the guide for the Arabs in the fateful cause to which they have committed themselves.

[Question] But despite the Fes summit plan, some Arabs still are moving in the direction of the Reagan plan.

[Answer] Of course, we know that there are some Arabs who are clearly moving toward the U.S. line. What is more dangerous is that other Arabs are moving circumvently toward the U.S. line. As for the PLO, it has not put down its arms in the face of aggression despite the aggravated campaigns of skepticism. Yet this does not rule out the task of drawing the United States to our side by penetrating the U.S. arena itself.

What we have to remember is the lesson of Lebanon [as published]. The revolutionaries were steadily fighting in Saigon and Hanoi at the same time the Paris talks were going on, a thing which produced an actual rift in the U.S. arena. Thus, coupling military struggle with the political move forced the U.S. forces to withdraw from Vietnam after the rift inside the American society became too wide.

[Question] Do you think the Arabs have reached this stage?

[Answer] Of course, we have not reached that stage. This is probably due to the deteriorating situation of those Arabs who possess great interests in the United States but do not use these interests to create a rift in American society. What really makes our influence inefficient is that we do not use our real weapons against the United States.

[Question] Regarding Jordan, Jordanian-Palestinian relations were of particular importance in the last stage. Can you forecast the future of these relations?

[Answer] No doubt it is important in the interest of pan-Arabism to upgrade the level of coordination between the Jordanian and Palestinian sides because the threat posed to them is the same. Still one thing should be understood: There is an actual Israeli threat posed to Jordan. Our information comes from the Israelis themselves. Everyone of us knows of the campaign which Sharon launched in the Israeli and U.S. media that Jordan is Palestine, springing from the false logic that after the war the enemy thought that they had ended the PLO, thus putting an end to the Arabs' hopes of regaining the West Bank, Gaza Strip and Jerusalem. Thus, he tried to convince others of the story of the alternative homeland, meaning that Jordan is Palestine, in an intensified effort to Judaize the occupied territories and expel the Palestinian people to Jordan to prepare Jordan for the establishment of the Palestinian state. This is the opposite of what the Palestinian revolution is seeking. The Jordanian leadership has passed to us official documents which prove these ambitions.

CSO: 4400/200

PALESTINIAN AFFAIRS

INTERVIEW WITH ABU IYAD

LD120410 Algiers Voice of Palestine in Arabic 1700 GMT 11 Feb 83

[Interview with Abu Iyad, member of the Fatah Central Committee, by unidentified radio reporter; date and place not given--recorded]

[Text] [Question] Brother Abu Iyad, the 16th Palestinian National Council [PNC] session is being held in Algeria, the land of 1.5 million martyrs. If we take into account the historical and militant significance of holding this session in Algeria, what are the other reasons which made the Palestinian leadership choose Algeria after the battle of heroic steadfastness in Lebanon and the events occurring afterwards?

[Answer] Naturally, the basic reasons are the historical significance of the Algerian revolution and the sacrifices made by this people for its (?freedom) and independence. Even in the Palestinian revolution, we draw inspiration from the struggle of the Algerian people and their sacrifices. We draw new meanings that will encourage us to continue the revolution until victory. Algeria has a special significance (?these days) when a number of forces are doing their best to take advantage of the independent Palestinian decision and make the Palestinian revolution and extension of this or that Arab policy. For these reasons we decided that Algeria should be the venue for holding our session at this juncture. I believe that Algeria is one of the few Arab states which since its independence has not interfered in domestic Palestinian affairs. On the contrary, Algeria's unchanging stand is (?always) behind the PLO and not in front of it. Truly, this policy is satisfactory to the Palestinian leadership and makes it move without any regional restrictions from this or that country. For all these considerations, we have chosen Algeria as the venue of this session. We the Palestinian people and the Palestinian leadership thank Algeria, its government, people and president for playing host to this session. [Words indistinct]

[Question] Brother Abu Iyad, the eyes of Palestinian masses on the occupied soil and elsewhere, as well as the eyes of the entire Arab masses and indeed the entire world, are focusing on this important PNC session. As the basic grouping in the Palestinian revolution, what is the program and in what (?form or manner) does the Fatah movement attend this session?

[Answer] [Passage indistinct]

[Question] There are some quarters--to be more specific, the Western press--which have been fanning what they call the failure of the PNC. Some of these circles are saying that this PNC session will retreat from the political program of the PLO and, more clearly, will go back on the Palestinian concept of a just and comprehensive peace. What is your reply to these circles and rumors?

[Answer] Ever since it was announced that a PNC session would take place, rumors have been circulating in Western circles and, regrettably, in some Arab circles also. These rumors say that the PNC will be exploded from within, that the PNC will have political setbacks, that concessions will be made by the council and that there will be splits. The truth is that there are some people who are dreaming that a split will take place. There is one truth which all must know. This truth is that we have made our people and the Palestinian arena used to a democratic atmosphere. Consequently in this atmosphere one is permitted to have his own view.

In any stage of the Palestinian struggle we never had any objection to an organization rejecting or accepting this (?or that) political line. The important thing is that there should be a center for Palestinian decision. This center is the basis of [word indistinct]. In my opinion, no matter how much we cherish national unity and the unity of the Palestinian ranks, in the end we cannot depart from the fact that decision must be made through a majority of the PNC or any other framework of the PLO. If we abandon this theory, then the arena becomes void of a decision. Really, this is the aim behind such agitation over the PNC--to imply that the Palestinian arena has lost its independent national decision and that there is no Palestinian leadership capable of making a decision at the appropriate time. I personally believe that the people who are fanning this, whether they are Westerners or regrettably considered to be part of the Arab nation, will never have their dream fulfilled. Democratic dialogue will always remain and there will always be discussion. It is the right of any group or any individual in the PNC to voice a reservation or to reject or accept something. But, in the end, the source of the Palestinian decision must maintain its cohesion. And this source is well-known to all. I wish that all will be with this source in the making of decisions.

Once again I say in the name of Fatah that we are zealous over Palestinian unity but on condition that this unity has white banners and bears no official Arab seals because the bearers of Arab official seals will influence the source of Palestinian decision and we will not permit this. As I said, all these rumors which are being spread are aimed at watering down the Palestinian decision. I believe that we have passed this stage. We are quite keen to be the basis and the heart of this independent national Palestinian decision. I hope that all the brothers who are coming with open hearts understand and know this truth. This is not a threat or an attempt to blackmail but it does represent a state which exists with us. With complete confidence, I say this to those who are spreading such rumors: We will not permit any Arab regime to interfere in this session or to interfere in the Palestinian arena.

[Question] Brother Abu Iyad, the attempt to impose trusteeship on the Palestinian national decision and the attempts of containment have never ceased since the outbreak of the Palestinian revolution. Indeed they have recently increased in ferocity. There are well-known Arab regimes which constantly work at creating a (?split) in the Palestinian rank. Can our Palestinian masses, which are waiting for the convening of this session, hope that the council will give a clear reply to those regime?

[Answer] It was after or during the battle of Lebanon that one could have said that there were many regimes which raised slogans or introduced new ones to distract the attention of their people, an attention which emerged during the Israeli aggression against Lebanon, especially when this aggression was not sweeping or overwhelming aggression that would end in a matter of days. The battle continued for about 90 days. All the authors of such slogans had the chance to give a real efforts, an effort of blood, an effort of fighting for this battle. Regrettably, this did not happen.

Some wanted to run away from this truth by (?spreading rumors) that there were internal differences in the PLO. They knew that there were no internal differences inside the PLO but they wanted to create them by what they are saying [words indistinct] in order to cause a rift inside the Palestinian arena. Through this rift then they could ensure for themselves trusteeship over the Palestinian national decision and consequently cover their desertion from the battle of Lebanon and their failure to enter the battle as every Arab citizen and every free man would have wished.

From this point, trusteeship takes changing forms. By means of Arab conferences which take place in the name of the Arab people or in the name of progressive people and sometimes different names, they try to advance on us, bearing trusteeship through these conferences in which lofty slogans are raised. In my opinion, neither such attempts by this or that state or attempts which try to impose trusteeship directly or the state which tries to exploit some weak elements, elements which can be bought with money or sometimes with words or a talk on television, these leaderships--which sometimes we call hired leaderships--these regimes will not be able via these leaderships or via these conferences or slogans to secure or impose trusteeship over our Palestinian decision or over us.

The truth is that we are in a state in which national independence is equivalent to a rejection of trusteeship. Anyone who accepts trusteeship does not want national independence. Anyone who truly wants national independence, who wants these people to establish for themselves a homeland and a state and who wants this revolution to continue should be against trusteeship, against hegemony and against containment of this revolution. From this point, I reassure our masses in the occupied soil, our masses everywhere--not only the Palestinian but also the Arab masses--that this council will come out victorious. Even if some try to disturb the clarity of this council we shall take a firm stand toward all these bats who are trying to play in the dark. This is a very clear matter and all must understand it. We will not allow whatsoever that (?tyranny) will infiltrate into the Palestinian

arena under the name of trusteeship, hegemony or containment neither through this session nor through any of the cadres of the PLO institutions. This is a truth which all must know. In order to strengthen its leadership of this national unity, the Fatah movement, which gave thousands of martyrs to the Palestinian national unity and for the sake of this unity paid with the blood of its best sons, will not allow anyone to tamper with it. But the concept of true national unity is the national unity which includes every sincere Palestinian whether he is in the groups or outside them. This is the national unity which we understand and for which we will struggle. As for those who carry Arab banners or Arab seals, these people have no value. What have they done? We are not interested. We want them to try and come under the banner of national unity. If they try to tamper this unity with their hands, we shall take a firm and (?decisive) stand toward them.

CSO: 4400/200

SYRIA

REPORT ON SYRIA'S DEFENSE AGAINST AGGRESSION

PM151515 Damascus TISHRIN in Arabic 8 Feb 83 p 9

[Article by Usamah Da'bul: "Syrian Warning of Danger of Israeli Preparations To Launch Aggression; President al-Asad: We Shall Defend the National Cause and the People Effectively and With Great Self-Confidence; the Soviet Union: Syria Will Take All Measures To Ensure Its Defense"]

[Excerpts] Last Friday Syria warned Arab and international opinion of the dangers of Israeli threats to it, which were accompanied by some preparatory actions to launch aggression. Syria also warned that it will take firm measures to reply to aggression and will consider any sabotage attacks on it tantamount to aggression.

This warning came in a statement by an official source in which he revealed the cause of these threats, which is Syria's quest to meet its defense needs, particularly in the field of air defense.

The Soviets: Information and Stands

On the same day, that is on Friday, the Soviet News Agency TASS reported that the Israelis are building up their forces in al-Biq'a' facing the Syrian forces, and are using Syria's measures to strengthen its air defenses as an excuse to launch aggression. The newspaper KRASNAYA ZVEZDA, organ of the Soviet Army, denounced the Israeli military buildup and stressed that Syria will take all the necessary measures to ensure its defense while relying on its sincere friends, the socialist countries. IZVESTIYA apparently summed up the Soviet official view of the Arab situation in the area by saying: "A fake peace is prevailing in the area. In fact it is no more than the lull before the storm." It also said that "the present halt in fighting is being used by the aggressors in order to bring pressure to bear on Lebanon in the current talks and to prepare for an Israeli attack, this time against Syria."

Last Monday the Soviet Union once again warned against the Israeli and U.S. provocations and threats to Syria. PRAVDA said: Washington and Tel Aviv are looking for an excuse for their aggression, which aims at expanding the U.S.-Israeli military and political presence in the area.

This is on the strategic level, but on the practical level, in addition to what the Soviet papers reported about Israeli military buildup on Lebanese territory facing the Syrian forces, KRASNAYA ZVEZDA said that the Israeli Air Force is practicing bombing and rocket firing against ground mockups representing most important Syrian targets and on launching raids on the suburbs of the Syrian capital.

It appears that information available to Damascus and Moscow regarding Israel's preparations and aggressive intentions are identical. This is evident in the fact that Moscow's warnings about the Israeli military preparations came at the same time as the dispatch to the General Assembly and the Security Council of two messages from the Syrian Foreign Ministry drawing attention to the seriousness of the implicit Israeli military threats and to the significance of the "information" cited by some key Israeli officials regarding the Syrian air defense system. The threats then were concealed behind this "information" regarding the so-called "danger" which this system and its new weapons would constitute to "civil aviation traffic" and even to the aircraft with the U.S. 6th Fleet in the Mediterranean. Israeli Defense Minister Sharon and his Chief of Staff Eytan have said that, despite the sophistication of the new Syrian air defense weapons, it is not difficult for Israel to destroy those weapons.

In the meantime, AFP, quoting sources close to U.S. intelligence, has spoken of close U.S.-Israeli coordination to create a pretext for aggression by alleging that the new weapons have a range of 240-300 km, that this is the first time they have been sent outside the USSR, and that they have never been deployed on Warsaw Pact territories. This allegation was accompanied by an Israeli allegation that Israel reconnaissance has discovered a lot about these weapons and their locations. Both the Israeli and U.S. sides, within the framework of concerted allegations, spoke about satellite communications equipment being received in Syria and also about consignments of small vehicles equipped with computers in the Soviet port of Nikolayev, ready to be shipped to Syria.

These allegations and insinuations even went as far as saying that this is part of a Soviet strategic plan in the Middle East. United States sources alleged on 17 January that they expect that the so-called "Soviet military presence in Syria" to be strengthened and that the new equipment, which enables the Soviet forces to be in contact with general staff headquarters in Moscow, is similar to equipment being used in Mongolia, Afghanistan and the GDR. It is as if these sources wanted to create the impression in public opinion that the experiment of Afghanistan is going to be repeated in Syria and that the United States and Israel must stand against this experiment and have the right to do so.

The Syrian Arab Stand

When the Syrian official source declared last Friday that the Syrian Government will take firm measures to respond to aggression and that any sabotage attack on it will be regarded as an aggression, there was nothing new in it because a senior officer in the army and armed forces general command said last August

that Syria had not used all its weapons in the battle against the Zionist enemy and that it warned Israel that it would resort to the use of such weapons if its aggression against the Syrian forces in Lebanon continued.

In his speech to the 20th congress of the General Federation of Trade Unions President Hafiz al-Asad refuted the allegation that Israel has effective arms while Syria has only obsolete Soviet arms. The president said: "That is a big lie, and there is absolutely no proof of it." In a further clarification he said: "There is Israeli superiority in certain technological fields, but I must sincerely say that we have some weapons that are better than those they have." But the president then pointed to a fact whose great significance many observers failed to note. This was when he said that "This supremacy in equipment and weapons, even if in limited areas and within a narrow scope, cannot and will not continue." Concluding, His Excellency stressed that "We shall, at every moment and as the situation may require, defend the cause of the homeland and the people effectively and with great self-confidence."

Obviously what the Syrian official source said last Friday, to the effect that Syria will take firm measures to reply to aggression, is within the context of what leader al-Asad affirmed 75 days ago, that is on 20 November. This figure, which denotes exactly 2.5 months, probably indicates that Syria is strengthening its defense capabilities in accordance with an accurate scientific program and an established timetable, so that within a short time it will be ready to reply to any aggression.

CSO: 4400/201

SYRIA

'AL-BA'TH' INDICATES SYRIA WILL NOT GIVE IN TO PRESSURE

PM101259 Damascus AL-BA'TH in Arabic 6 Feb 83 p 1

[Editorial: "Our Answer Will Be Tough and at the Appropriate Time"]

[Text] There is an almost unanimous belief that Israel is preparing for an act aggression against Syria, and international sources believe that the aggression for which Israel is preparing is the result of a series of meetings and consultations that were held and continue to be held between the U.S. administration and Israel on one side and certain Arab and international quarters on the other.

The U.S. administration believed that Israel's invasion of Lebanon was going to be the key to the U.S.-Zionist solution but this illusion collapsed thanks to Syria's insistence on adhering to its principled national stand not only toward the Lebanese problem, which to Syria is a purely Syrian [as published] national issue, but also toward the number one and basic issue, the Palestinian problem.

There is no doubt that many people have wagered that Syria will not be able to continue its position of rejecting the U.S.-Israeli solutions. They believed Syria to be incapable of facing the various pressures that are being put on it, and indeed our country did come under pressure and was the target of campaigns of defamation by some Arab regimes, campaigns such as no other country in the world has experienced.

It is no secret that all these people want Syria to say "yes" to the U.S.-Israeli solutions, to abandon all its national principles and to give up all the cards in its hands to the U.S. administration, as others have done, so that the United States can do what it likes in the area.

The pro-Americans thought that the battle of Lebanon was the last battle. Indeed some of them have been saying that the Palestinian state is already in "the bag" but so that this may be fulfilled some "flexibility" should be shown toward what the Americans propose.

These people have not learned the lesson of the Camp David experience, in which Egypt lost everything without taking anything. Instead it has become a U.S. launch pad for aggression.

In any case, Syria, contrary to what Israel, the United States and some Arab regimes think, is not an easy prey. It has become known that the conspirators have tried all the means available to them in order to get at Syria but all their attempts have failed. Why? Because Syria is committed to its principles the same way it is committed to its own existence. And despite the way some people try to portray it, Syria is not against peace. Syria is for just, lasting and comprehensive peace but at the same time it is against U.S.-Israeli capitulationist proposals.

It remains to be said that Syria knows very well how to confront the enemies' plans, and there is no doubt that its answer will be tough and will come at the appropriate time. It derives this stand from its own people, the masses of the Arab nation, and the world forces of liberation, foremost among which is the Soviet Union.

CSO: 4400/201

UAE TO HAVE AUSTERITY BUDGET IN 1983

GF130424 Manama GULF DAILY NEWS in English 13 Feb 83 p 1

[Text] UAE Government ministries have been told to buy only essentials as the world oil glut begins to bite.

Spending is to be slashed by half in expectation of what officials said would be an austerity budget for 1983.

Budget Director Abdul-Hakim al-Bunai said that Finance Minister Shaykh Hamdan ibn Rashid al-Maktum had asked federal ministries to cut spending to half the average monthly level of last year until the budget was introduced.

Shaykh Hamdan had previously ordered spending in the seven-emirate federation of 1.1 million people be kept at the 1982 rate until the new budget was drawn up and approved.

Mr Bunai said the UAE's federal budget deficit rose to about \$1 billion last year from a previously forecast \$626 million shortfall.

The UAE, badly affected by the glut, has cut its oil production to just over a million barrels per day.

Mr Bunai said an eight-minister committee would soon finish discussing the 1983 budget.

The 1982 budget, which covers the calendar year, set spending at \$6.1 billion and revenue at \$5.5 billion.

CSO: 4400/199

UNITED ARAB EMIRATES

BRIEFS

IRANIANS TO RELEASE SHIPS--Dubayy, 15 Feb (QNA)--Sources at the Dubayy Chamber of Commerce and Trade reported that the chamber succeeded recently in tackling the issue of the seizure of more than 14 ships belonging to UAE nationals by Iranian authorities in Hormuz Province. The results of the contacts held have led to the release of a number of the ships. These sources told [UAE paper] AL-BAYAN that the chamber tackled during the past year about 12 cases dealing with sea shipments and acts of piracy in order to protect the rights and property of UAE merchants and merchants of other Gulf countries. The property that had been seized was estimated at tens of millions of dollars. [Text] [GF151204 Doha QNA in Arabic 0810 GMT 15 Feb 83]

CSO: 4400/199

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

PDRY, CUBA ISSUE JOINT STATEMENT

GF091900 Aden ANA in Arabic 1730 GMT 9 Feb 83

[Report on PDRY-Cuban joint statement issued at the conclusion of a visit by Jesus Montane, alternate member of the Cuban Communist Party Central Committee, to the PDRY 3-8 February]

[Text] The delegations of the YSP and the Cuban Communist Party have expressed satisfaction at the level of relations between their parties, governments and peoples on basis of the principles of scientific socialism and international proletariat.

In a joint statement issued today following the conclusion of the visit of the Cuban Communist Party delegation led by Comrade Jesus Montane, alternate member of the Cuban Communist Party Politburo and secretary of the General Foreign Relations Department of the Cuban Communist Party, the two sides highly assessed the results of the visit made by brother 'Ali Nasir Muhammad, secretary general of the YSP Central Committee, chairman of the Supreme People's Council Presidium and chairman of the Council of Ministers, to Cuba at the head of a state and party delegation last February.

The two sides affirmed the necessity of struggle for peace and against the catastrophe of a destructive nuclear war and for developing cooperation among the various social regimes. They expressed their deep concern over the escalation of international tension due to the course of U.S. action and some other countries in NATO. The two sides welcomed the peace proposals which were recently announced by Comrade Andropov, general secretary of the CPSU Central Committee, which are aimed at achieving international detente and security.

The two sides paid special attention to the explosive situation in the Middle East resulting from the aggressive and expansionist Israeli policy against the Palestinian Arab people and the other Arab peoples in collusion with U.S. imperialism. The two sides strongly condemned the Israeli occupation of Lebanon and the savage massacres of civilian inhabitants in West Beirut which were perpetrated by the Zionist troops with the support, protection and complete knowledge of the United States.

The two sides hailed the boldness of the Palestinian fighters and the national Lebanese forces in the face of Israeli aggression and affirmed that their steadfastness had a major role in foiling the aggressive plan which was aimed at destroying the Palestinian resistance and at completely liquidating the Palestinian issue. They expressed their strong belief that a permanent and just peace in the Middle East can only be achieved through a comprehensive and fair settlement of the Palestinian issue on the basis of the complete Israeli withdrawal from all Arab lands occupied since 1967 and a restoration of the legitimate rights of the Palestinian people, including their right to establish an independent state.

They reiterated their full support for the PLO, the sole and legitimate representative of the Palestinian people. [words indistinct] zone of peace and call for holding an international conference in this regard according to the Un resolutions.

The two sides affirmed support for the Saharan Arab Democratic Republic and the struggle waged by the Saharan people under the leadership of the Polisario and [words indistinct] and their battle for sovereignty. [Words indistinct] for the continuation of the Iran-Iraq war and stressed the necessity of bringing about a just and honorable settlement to this struggle in favor of the peoples of the two countries and in favor of strengthening the struggle against imperialist plans in the region.

When analyzing the situation on Latin America and the Caribbean Sea the two sides agreed that the major danger to the peace in Central America is represented by the imperialist threats to the popular revolutions in Nicaragua and Grenada and call for full support and international solidarity with them. The two sides approved the proposals of the Democratic Revolutionary Front and the Front of [word indistinct] for the national liberation which are aimed at seeking a settlement of the current dispute through negotiations. The two sides condemned the threats and pressures and imperialist maneuvers which are aimed at undermining stability in (?Central) America and the Caribbean Sea and the conspiracies against the revolutionary operations there, especially in El Salvador under the leadership of the Democratic Revolutionary Front and the Front of [word indistinct] for the national liberation and in Guatemala as well.

They expressed support for the [word indistinct] and greeted the democratic movement in Bolivia. They reiterated their support and solidarity with the peoples of Chile, Uruguay and Puerto Rico and their support for all the people who are struggling against oppressive and dictatorial regimes.

The two sides hailed the role played by the nonaligned movement in strengthening international peace and security and its contribution to [words indistinct] economic system. They hailed the important role played by Cuba and Comrade Fidel Castro as a chairman of the nonaligned movement in strengthening the unity of the movement's countries.

The two sides stressed the necessity of bolstering [word indistinct] among the socialist forces and the international national liberation movements and

the national progressive forces for [words indistinct] international peace and security and for liberation and independence. [Words indistinct] complete satisfaction at the results of the talks which were held in a cordial and comradeship atmosphere and expressed their belief that this visit will contribute to strengthening and developing the relations of friendship and cooperation between the two parties in all fields in favor of peace, security and social progress in the world.

CSO: 4400/197

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

LEADER REVIEWS GULF, HORN, SUPERPOWER TIES

PM081025 London AL-HAWADITH in Arabic 4 Feb 83 pp 30-32

[Interview with 'Ali Nasir Huhammad, chairman of the PDRY Supreme People's Council, by Raghidah Dirgham in Aden--date not given]

[Text] AL-HAWADITH: What was the background of the agreement on the principle of normalizing relations between the PDRY and Oman? How do you view the future of bilateral relations between the two countries in the light of this agreement?

Chairman Muhammad: The dialogue with Oman on the normalization of relations began 5 years ago. The results of the dialogue were evident in the PDRY's desire for an agreement on principles between us and Oman. We regard the agreement as expressing the desire of the PDRY people, party and government for security and stability in the area. The agreement is a step toward improving relations with Oman. We want further steps to be taken, such as the exchange of diplomatic representation and the meeting of the committee on borders between Oman and the PDRY.

AL-HAWADITH: When will the borders committee meet?

Chairman Muhammad: At the end of January in Abu Dhabi.

AL-HAWADITH: What else besides the meeting of the borders committee and the agreement on the principles of normalization? What further steps will be taken?

Chairman Muhammad: The objective is to build bridges of fraternity, peace, security and stability in the area in general and also to keep our area free of the imperialist bases that threaten the region's peoples.

AL-HAWADITH: You have often said that Oman gives military facilities to the United States, and Oman has often said that the PDRY gives military facilities to the Soviet Union. Some parties have even alleged that there are Soviet military bases in the PDRY. But this is not the question; the question is: How have you addressed or will you address the problem of each country's relations with the two superpowers?

Chairman Muhammad: After the agreement on the principles of normalization with Oman, the Soviet Union's reaction was characterized by support and welcome for the agreement. The reaction of the socialist countries was the same. But unfortunately the Americans behave in the contrary manner. After the normalization of relations with Oman the United States carried out military maneuvers jointly with Oman on our eastern borders. This clearly shows that the Soviet Union does not interfere in our internal affairs and supports the security and stability of the area. There are also other signs of Soviet good will toward the normalization and toward the countries of the area, such as Brezhnev's initiative concerning the Gulf, which expressed the Soviet Union's principled stand toward the countries of the area and its desire for their security and stability.

AL-HAWADITH: Will the normalization of relations between Oman and the PDRY run parallel with the initiation of dialogue between the Soviet Union and the rest of the Gulf countries, and would you consider [Saudi Foreign Minister] Amir Sa'ud al-Faysal's visit to Moscow as part of what is taking place in this direction?

Chairman Muhammad: Sa'ud al-Faysal's visit came 50 years after his father's visit to the Soviet Union. There are long-standing relations between the Soviet Union and Saudi Arabia. We hope that those relations will be resumed and that new relations between the Soviet Union and the Gulf states will begin, just like the relations between Kuwait and the other socialist states. The Soviet Union covets nothing in the area. It is the world's biggest oil-producing country.

AL-HAWADITH: You said that the U.S.-Omani maneuvers took place after the agreement on normalizing relations between you and Oman. Will this affect the "good will" and the future of relations?

Chairman Muhammad: I would like to reaffirm our stand toward the maneuvers, and I would like to affirm that we will preserve all that we can achieve in the past. We regard the normalization of relations as being in the interest of the PDRY, Oman and the countries of the area. We know that the Americans do not want such a normalization. Nor do they want stability and security in the area. We hope that the Omani brothers will express the same wish and the same desire for security and stability and that we all will preserve what we have achieved. Indeed, we must further this gain by taking steps toward strengthening relations, including the exchange of diplomatic representation, the convening of the borders committee and the future exchange of ambassadors. I personally feel that attempts are being made to destroy the bridges the PDRY has built in the countries of the area.

AL-HAWADITH: By whom?

Chairman Muhammad: By U.S. imperialism and by some of the forces hostile to rapprochement between Oman and the PDRY.

AL-HAWADITH: Some people say that your relations with the Soviet Union have gone beyond the context of cooperation--mere cooperation. Did you agree with

Oman to reduce "cooperation" between Oman and the United States on one hand and between the PDRY and the Soviet Union on the other, particularly in the military sphere?

Chairman Muhammad: We consider our relations with the Soviet Union as strategic relations. We do not conceal those good relations. We express our satisfaction at the Soviet Union's stand with the PDRY and with the struggle of our Arab peoples, particularly the Palestinian people's struggle. We consider that as Arabs we have defended our sovereignty and dignity with Soviet weapons. We in the PDRY defended our independence and gains with Soviet arms. We believe that Soviet arms stood fast in Beirut. Just as the Palestinian resistance and the Lebanese national movement fought with Soviet arms, so did the Arabs in the 1967, 1973 and 1982 wars. From our viewpoint and judging by our relations, the Soviets do not interfere in the internal affairs of the area and do not attach conditions to giving such military support.

AL-HAWADITH: Some people disagree with you in your evaluation of the Soviet role, particularly the Gulf countries, and for this reason they demand that you give less in the way of military facilities to the Soviets. Is this likely?

Chairman Muhammad: Some hostile newspapers that do not know the truth about what is happening in the PDRY are spreading rumors about Soviet bases in the country.

AL-HAWADITH: I am talking about facilities and not bases.

Chairman Muhammad: But they say that there are Soviet bases in the PDRY. I would like to say that such talk is unfounded. We are prepared to arrange a visit for you to the provinces and the islands in order to see for yourself that there is no Soviet military presence in the PDRY. The Soviet Union does not need such bases and does not need to protect its interests or oilfields as in the U.S. case. I would like to add that you can see everything the Soviet Union offers in industrial and agricultural projects, fisheries, education, dams and other vital economic projects. When Soviet ships visit our ports, as they visit other ports, they pay in hard currency even for the water we give them. They help us Arabs more than we help them.

AL-HAWADITH: The answer then is that you will not reduce the military facilities given to the Soviet Union.

Chairman Muhammad: What military facilities? I would like to say that the Soviet Union has stood on the side of the PDRY and Syria in its stand against imperialism and reaction....

AL-HAWADITH: Since you are pressed for time I would like to move to the question of unity with the northern part of Yemen. What has led to the improvement of atmosphere between the two parts?

Chairman Muhammad: The question of Yemeni unity is a strategic issue for our Yemeni people both in the north and the south. For them it is a matter of destiny. We are struggling for the achievement of this major and great goal. I would like to express our satisfaction with the steps taken so far on the road to uniting the Yemeni soil and people, such as the activation of the unity committees, the establishment of joint projects and companies between the two parts, and the establishment of the higher Yemeni Council and the Ministerial Committee. This is in addition to the steps we have taken toward economic integration between the two parts. What is most important is the question of security and stability between the two parts. Here, too, I would like to say that hostile forces do not wish to see such rapprochement and cooperation; but we are confident that we will overcome all these difficulties and all the attempts aimed at destroying dialogue and rapprochement. What is most important is stability and security as well as the dialogue between President 'Ali 'Abdallah Salih and the Democratic National Front in northern Yemen.

AL-HAWADITH: Does the continuation of dialogue between Aden and San'a' depend on the continuation of dialogue between the San'a' authorities and the front and vice versa, that is, does the continuation of the dialogue between the authorities and the front depend on the continuation of north-south dialogue?

Chairman Muhammad: There is a direct dialogue between the two parts which has nothing to do with the dialogue between the national front and the authorities in the northern part. The national front participated in the People's Congress which was held in San'a'. The national front also has a permanent representative on the Congress Standing Committee. We in the southern part welcome such steps and dialogue between the front and the authorities in San'a'.

AL-HAWADITH: How would you describe the present relations between you and the national front in the northern part?

Chairman Muhammad: In fact we have no relations with the national front. The national front exists in the north and is represented in the standing committee.

AL-HAWADITH: But you have previously expressed your solidarity with the national front. How do you describe your relations now?

Chairman Muhammad: I can say that the national front was struggling inside the northern part. We have welcomed the efforts and dialogue between the national front and San'a'.

AL-HAWADITH: There is a special relationship between San'a' and Saudi Arabia. Will the present dialogue between the authorities in Aden and San'a' affect Aden's relations with Saudi Arabia?

Chairman Muhammad: First, I have often affirmed to the brothers in Saudi Arabia that rapprochement between the two parts and stable security are in the interest of Yemen and the people of the Peninsula and the Gulf, and that the establishment of unity between the two parts will not be against those countries, because the establishment of Yemeni unity will lead to security, stability and peace in the area, while the perpetuation of tension and division between the two parts and continuing attempts to create tension between them will lead to tension in the Arabian Peninsula and the Arab Gulf as a whole. Since this is a sensitive area, we attach importance to the question of stability and security in this area. We also call on the brothers to bless any more by the two parts as long as this serves the question of security and stability in the area.

AL-HAWADITH: The assignments of the joint committees between the two countries include drafting a constitution for the unified state. These committees have agreed that Islam be the main source of legislation in the new constitution. How will you reconcile Marxist ideology and Islam?

Chairman Muhammad: Islam is the religion of the state, as is now stipulated in the PDRY Constitution. This does not need confirmation: the religion of the state is Islam.

AL-HAWADITH: What I mean is the reference in the constitution to the unified state that Islam is the main source of legislation. My question does not concern the religion of the state but Islam as the source of legislation.

Chairman Muhammad: This subject can be discussed at the Yemeni Council meeting. This is one of the issues concerning the results of the unity committee's discussion of the constitution. This will be discussed at the Yemeni Coordination Council which is due to meet in April.

AL-HAWADITH: What would be the fate of the present agreements, such as the tripartite agreement between the PDRY, Ethiopia and Libya? What will become of this agreement when unity is achieved, if such unity is achieved?

Chairman Muhammad: I believe that the establishment of unity between the two parts is absolutely not contrary to the existing agreements or treaties, whether with the Soviet Union, Ethiopia or Libya. This is what we have assured our brothers in the northern part. The treaty concluded with Libya and Ethiopia was published and it includes nothing that is contrary to the achievement of Yemeni unity in the future. We believe that the Aden Treaty expressed the wishes of the PDRY, Ethiopia and Libya. It is in the interest of the Arab nation, or the Arab peoples' struggle, and of the Palestinian cause. I believe that it is in our interest to have such relations with Ethiopia--militant relations between Arab nations and Ethiopia--because we regard Ethiopia as a strategic depth for our people's struggle in this area.

AL-HAWADITH: But many Arab countries do not view Ethiopia in the same way and disapprove of your treaty with it. They also believe that this treaty is aimed against Somalia, which is an Arab League member state. This is in

addition to the differences over the problem of Eritrea. How will you deal with this radical difference between your viewpoint and that of many of the Arab countries? How will you address this contradiction?

Chairman Muhammad: First, I would like to say that this treaty is not directed against Somali or Sudan. It is against imperialism and Zionism.

AL-HAWADITH: But you know that you are accused of helping Ethiopia at the expense of Somalia and the Eritrean problem. What is your answer to these accusations?

Chairman Muhammad: We are not concealing our relations with Ethiopia which, as I have already said, are strategic relations. We have stood with Ethiopia against imperialism and against the counterrevolutionary forces. We consider the victory of the Ethiopian revolution a victory for our Arab causes and the Palestinian people's cause. Ethiopia was previously a U.S. and an Israeli base. Is it not in the interest of the Arab peoples and the Palestinian cause to have this new regime that is hostile to the United States and Israel? I believe that it is indeed in the interest of the Arab peoples and our interest in the PDRY for such a regime to emerge, stand fast and triumph against all internal and external conspiratorial forces.

AL-HAWADITH: I understand that an article approved by the joint committees provides that the unified state shall not have treaties and major agreements with countries that are not Arab League members. Is this not true?

Chairman Muhammad: Unity is not contradictory to the agreements and treaties signed with the Soviet Union or Ethiopia. It is known that northern Yemen has a friendship treaty with the Soviet Union that was signed in 1928. It could be the oldest treaty signed between the Soviet Union and an Arab country. I believe that it is in our interest to develop our relations with the states that support our Arab causes and stand on our side.

AL-HAWADITH: Let us look at the question from another angle: is not unity contradictory to the existing agreement between the YAR, Saudi Arabia and the United States on the purchase of arms? Will this agreement remain valid?

Chairman Muhammad: In view of my knowledge of the north and of the army's weapons in the north and in the light of Brother [YAR President] 'Ali 'Abdallah Salih's visit to the Soviet Union, I can say that the north has obtained Soviet arms.

AL-HAWADITH: That is true, but he also obtains U.S. weapons.

Chairman Muhammad: I did not in fact know that....

AL-HAWADITH: It is no secret. President 'Ali Salih 'Abdallah told me that the north pursues a policy of arms diversification.

Chairman Muhammad: This is a matter that concerns President 'Ali 'Abdallah Salih and the northern part.

AL-HAWADITH: Do you mean that there will not be a policy of diversification of arms sources for the unified state?

Chairman Muhammad: We consider the Soviet Union the ally of our people in the north and the south as well as the ally of the Arab peoples. The best evidence of what I am saying is the Soviet Union's relations with Syria, Algeria and Libya. The countries struggling against imperialism use Soviet arms in defending their existence and independence.

AL-HAWADITH: So how will you reconcile the policy of nonalignment to which the north adheres on all levels with your objection to continuing relations with the United States and your enthusiasm for replacing them with good relations with the Soviet Union?

Chairman Muhammad: We leave this to the future unity and the unified state; the final decision will be for it to take. We are struggling for the achievement of Yemeni unity. I consider that my life's greatest, most important and most cherished wish is the unity of our soil and people.

CSO: 4400/197

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

REPORTS ON 5-YEAR PLAN RESULTS

GF131000 Aden Domestic Service in Arabic 1920 GMT 12 Feb 83

[From the "News and Comment" program]

[Text] The sector of trade and supply receives a special attention in the Second 5-Year Plan for economic and social development due to its great significance in meeting the citizens' needs of consumer and supply commodities and the [word indistinct] local market of commodities and goods.

The plan for the third year, 1983, within the Second 5-Year Plan is aimed at increasing the volume of foreign trade exchange from 296.7 million dinars during 1982 to 330.5 million dinars in 1983 at the current prices at an approximate rate of 11.4 percent [as heard]. It is also expected that the imports of commodities at current prices will increase from 283.3 million dinars in 1982 to 314 million dinars in 1983. Export of commodities will increase from 23.4 million dinars to 26.5 million dinars at an approximate rate of 23.1 percent.

Quoting statistics for the Second 5-Year Plan, ANA reported today that imports for development projects will be approximately 88 million dinars in 1983 for construction materials, machinery and equipment to cover the current requirements of various commodities compared to 74.3 million dinars in 1982 or an increase of 18.4 percent.

The plan aims at increasing the volume of exports and re-exports of commodities from 13.4 million dinars during the 1982 to 16.5 million dinars during 1983, or by 23.1 percent. They will increase from 8.2 million dinars for the year 1982 to 11.2 million dinars for 1983 and this is aimed at doubling the value of exports of agricultural commodities and increasing fish exports by approximately 30.6 percent and manufactured commodities by 18.4 percent.

In the field of foreign trade exchange, the plan indicated that trade exchange with socialist countries will develop, pointing out that it will increase from 20 percent during 1982 to 25 percent during 1983. Domestic trade also received increased attention; it will witness an increase in the value of (?retail) commodities from 261 million dinars during 1982 to 287.5 million dinars during 1983 or approximately 10 percent; the share of local products will increase from 35.7 percent for 1982 to 36.9 percent for 1983. This increase will involve various foodstuffs.

The plan also aims at an increase in the per capita share of (?retail) commodities from 130.3 dinars for 1982 to 139.6 dinars for 1983 or approximately 7.2 percent.

Initial statistics for 1983 indicate that the citizens' balance of expenditures and imports is expected to improve thanks to the increase in the expected revenues and the increase in imports.

CSO: 4400/197

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

MINISTER CONGRATULATES IRANIAN COUNTERPART--'Abd al-'Aziz Ad-Dali, YSP Central Committee member and foreign minister, sent a congratulatory cable to his brother Dr 'Ali Akbar Velayati, the foreign minister of the Islamic Republic of Iran, on the fourth anniversary of the Islamic revolution. He wished him health and happiness, wished the Iranian people progress and prosperity, and wished that bilateral relations continue to develop.
[Text] [GF101320 Aden Domestic Service in Arabic 1230 GMT 10 Feb 83]

CSO: 4400/197

AMMAN PAPER INTERVIEWS PRIME MINISTER

JN091657 Amman SAWT ASH-SHA'B in Arabic 9 Feb 83 p 7

[Interview with YAR Prime Minister 'Abd al-Karim al-Iryani by SAWT ASH-SHA'B correspondents 'Abdallah Hamdan and Ahmad ad-Dabbas--date and place not given]

[Excerpts] [Passage omitted] [Question] What is the YAR's stand on the current peace plans to settle the Palestinian cause?

[Answer] There are many peace plans. He who seeks light at the end of the tunnel will perhaps face various secondary tunnels. We certainly believe, however, that for the Arab nation, the Fes plan is the only one submitted. The fact that others are exerting efforts to submit other peace plans does not mean that they do not have the right to do so. This also does not mean that the Arab countries should study any peace plan submitted by any party which does not conform to the Fes Summit resolutions. We believe that any peace plan which conforms to the Fes Summit resolutions is acceptable.

We welcomed Brezhnev's plan at the time because it is positive. The Franco-Egyptian draft resolution did not materialize and all that we know about it is what was published in the newspapers. Most probably it has been postponed.

We in Yemen are of the opinion that Reagan's plan does not give the Palestinian people the right to determine their fate and establish their own state on their national soil. These shortcomings in Reagan's initiative are as clear as daylight. That's why the YAR cannot accept it even for study.
[passage omitted]

[Question] It is known that the solution at this stage is in the hands of the United States. It is also known that the United States is currently exerting pressure for the implementation of Reagan's initiative alone. If we exclude the military options, this means that any solution will take place on the basis of Reagan's initiative. What do you have to say to this?

[Answer] I would like to ask you a question. Are the Fes resolutions for peace or war? The answer is that they are resolutions for peace. I believe that the military option must not be imposed. Fes resolutions call for

dialogue as the basis for a solution and negotiations and dialogue must inevitably take place within their framework.

We have learned that the seven-member committee, which visited the United States, was asked to explicitly state that the Arabs recognize Israel's right to exist. The world at large is well aware that the Fes resolutions are for peace and that the only condition they had set is the establishment of an independent Palestinian state. Anything else can be considered mere stubbornness.

Many asked the following question: Why do you want a Palestinian state? The answer is that the Palestinian people have a right to their own independent state. That's why I consider the U.S. rejection of a Palestinian state as a U.S. shortcoming and not an Arab one because it seems that it is the United States which is being subjected to pressure. It also appears that there are no reasons, strategic, military, economic or political, that justify U.S. rejection of the establishment of a Palestinian state other than that the United States is being influenced by Zionist pressure.

The dictum that the strategic equation in the Middle East will change if a Palestinian state is established makes us wonder: What will the population of this new state be? How many aircraft, tanks and missiles will it have? What military changes will take place in the Middle East? What social changes will take place? On the contrary, things will improve in the entire region. That's why we see no strategic obstacle to prevent the United States from accepting a Palestinian state. Zionist pressure is currently being put on the United States to prevent it from accepting a Palestinian state. The question here is: Which party is the one being pressured and which is impotent, we or the United States?

[Question] What is your position on the Jordanian-Palestinian meeting, which defines the basis for future relations between the two peoples in a confederation?

[Answer] To start with we must explain our concepts and positions, which in principle are committed to what the Palestinians want under the leadership of the PLO. If they want an independent state, a confederation or a merger: federation which we can join [as published] then we would welcome it. We view this issue within the context of the pan-Arab objective and philosophies of which we speak through our media.

The way we understand it is that the brothers in the PLO are saying that as soon as the Palestinian people are told that they have the right recognized by the whole world to establish an independent entity and state on their land. Then we [the Palestinians] will form a confederation with Jordan. This is our concept of the issue and in this regard we wish to ask those who oppose this confederation: What pan-Arab harm will a military, political and economic confederation with Jordan do to the Arab nation? We also understand that the brothers in the PLO are saying that as soon as the world, which deprived them of their identity, gives them their identity and

entity and recognizes it, then we [the Palestinians] will form a confederation with Jordan within 24 hours.

In our opinion this position does not conform with the solutions of any party, but is natural. You know that, and you also know the demographic configuration of the East and West banks of Jordan. Also we always speak about complete Arab unity. Why should I argue about unity between Jordan and Palestine? Should I argue if that unity takes place with Algeria, for example? We believe that the world will recognize the dispossessed identity of the Palestinian people. However, we do not accept the Israeli claim that this land has no people, and these people have no land because this is the lie of the 20th century and the world which believes it must correct its mistake.

[Question] Do you believe that, in the absence of Arab pressure on the United States, the latter will adopt a firm stand against Israeli expansionist ambitions and change its total bias toward Israel?

[Answer] As far as we are concerned in Yemen, you can ask the U.S. side, We do not beg the United States for solutions, we, however, are exerting continuous pressure, telling them that they are lagging in their duty and are being influenced by pressure from the Zionist lobby. At the same time, however, we do not know whether the other Arab sides are exerting pressure or begging. We do not like speaking about this. We in the Yemen, however, have frank mutual relations with the United States and as you know, all the U.S. ambassadors in the region have been informed of the meetings which Yemeni officials have held in Arab countries. Thus, they realize the Yemeni position. We informed the United States from the moment that the Reagan plan was submitted that it was insufficient. We believe that this issue will always be a nagging problem for Arab-U.S. and Yemeni-U.S. relations will [not] return to normal as long as the Palestinian issue remains unresolved.

[Question] In the absence of a unified Arab stance to tell the United States that its interests in the region can be threatened, what do you think will push the United States to put pressure on Israel?

[Answer] The truth is that there are U.S., West European and East European interests in the region. The issue of how relations [with the United States] may be employed to affect general U.S. interests in order to bring about a fair U.S. opinion on and an evenhanded look at the Palestinian cause has been left for the individual consideration of each [Arab] state. The issue has not been discussed officially at any Arab summit meeting. There are various opinions published in the press saying that the United States will yield if the Arabs withdraw their assets from the United States or if they cut their oil supplies to it. These opinions remain personal judgments. Although, thanks to the Almighty, we do not own any assets in the United States, we see that the states that have assets there look at the issue from a different angle. They consider their assets as a means of pressure.

I believe that politicians should not depend on emotions. Opening or closing an embassy should not be subject to moods. In the absence of a unanimous Arab

decision, we see that each state should assess the extent of its relations with the United States and the extent to which these relations may be employed to achieve a fair [U.S.] stand. For example, a state that has no diplomatic relations with the United States may see that the interests of the [Arab] cause demand that it open a U.S. embassy in the country. Why should we always believe that the U.S. stand can only be changed by adopting negative measures? In my opinion negative or positive measures should be subject to each state's assessment. The negative measures adopted by any state can be considered right today and wrong tomorrow. I am not saying that there are no means of pressure on the United States other than the adoption of positive stands on it, but this issue needs a comprehensive assessment.

[Question] What progress have you achieved so far on the path of unity between the two parts of Yemen?

[Answer] As it was stipulated in the objectives of the 26 September revolution, Yemeni unity is a step towards Arab unity. I reassert here that Yemeni unity is not an objective in itself, but a step toward the achievement of Arab unity. The steps we achieve daily in this regard are fruitful. A constitutional committee completed the constitution of the unified state by the end of 1981. In 1982 several joint companies were established with joint capital to serve joint investments in land and sea transportation and tourism. The Yemeni Council was also formed under the chairmanship of the leaders of the two parts of the country in order to follow up the various unity steps. You can see that many advanced and positive steps have been accomplished towards the achievement of Yemeni unity. The unified constitution will be endorsed by the leaders and legislative councils in the two parts of the country. This endorsement will be crowned with a popular referendum. These steps will follow successively until we achieve the desired objective. We have no timetables holding or limiting us. We believe that this flexibility is positive because the citizens have the right to raise legitimate questions if we commit ourselves to fixed dates and fail to meet them. [passage omitted]

[Question] How do you assess your relations with Jordan?

[Answer] Our relations with Jordan are developing, growing and based on brotherhood, amity, cooperation and truthfulness in word and deed. The Yemeni minister of health paid a visit to Jordan recently which resulted in health cooperation between the two countries. Also the minister of municipalities and housing returned from Amman recently after reaching agreement with his Jordanian counterpart on laying the foundations for cooperation in the field of housing and municipalities. The visits of competent ministers to Jordan will continue to crystallize and develop all possible aspects of cooperation. Thus, we are completely satisfied that Yemeni-Jordanian relations are developing, strong and truthful. We are confident that these relations will further develop as the days go by because Jordan has very high standards of expertise and capabilities in all fields which Yemen needs badly. Thus, we shall seek the help of Jordanian expertise in every possible field. [passage omitted]

[Question] Iraq has been fighting a war with Iran for over two years. What is your position on this war and what efforts are you making to end this bleeding of an Arab country?

[Answer] Our position is obvious, frank and based on truthfulness and sincerity. Thus, the position of the political leadership was, from the start, based on the conviction that a fraternal country was being forced to fight a war it did not choose to wage. Thus, in principle, we support the fraternal country and attempt to convince the other side to reach a peaceful settlement. [passage omitted]

[Question] How do you assess the Arab relief and aid to help Yemen in facing the earthquake disaster?

[Answer] We believe that the Arab countries provided satisfactory help in relief and housing during the earthquake. We received drugs, tents, food and clothing from all over the Arab world without exception as well as international aid which we received from all countries which enabled us to confront the disaster.

We are about to begin moves on the Arab and international levels to seek out sources for reconstruction. We would be very happy if the Arab response is as positive in this field as it was during the relief operations.

Our losses total around \$2 billion, so the scale of reconstruction will be influenced by the available means. We believe that the Yemeni people are primarily responsible for rebuilding the affected regions but Arab and international aid would speed up the reconstruction process and reduce the time required to complete it.

CSO: 4400/185

PRESIDENT SALIH ON GULF WAR, YEMENI RELATIONS

PM091429 London ASH-SHARQ AL-AWSAT in Arabic 8 Feb 83 p 3

[Interview with YAR President 'Ali 'Abdallah Salih by Faysal Hamid Idris in Jidda on 7 February]

[Excerpts] [Question] Mr President, what was the nature of your talks with the Saudi monarch, King Fahd ibn 'Abd al-'Aziz? What were the main points covered in the talks?

[Answer] Our talks with His Majesty King Fahd ibn 'Abd al-'Aziz dealt with the special bilateral relations between our two fraternal countries, the Arab moves required at this important stage in the history of the Arab nation, and, especially, the great efforts being made by His Majesty King Fahd to stop the bloodshed in the Iraqi-Iranian war and enlist support for the Palestinian people's rights and just cause. The talks also touched on the damage caused by the earthquake catastrophe which hit our country recently, the kingdom's prominent role in the rescue, relief and shelter operations and its future role in the reconstruction of the stricken areas.
[passage omitted]

[Question] There is no doubt that the earthquake has seriously affected the development process and the economy in general, but to what extent? Will it reach the point of economic collapse?

[Answer] It is known that the statistics show that the earthquake which struck our country has had alarming results and has immensely and directly affected Yemen's economy and development process. The catastrophe was far greater than our resources. This is bound to affect our future plans because the damage caused is not only temporary but will be felt for years to come. However, despite the enormity of the calamity, the Yemeni people received it with hearts full of faith in God's will and fate and they are determined to overcome this crisis. I believe that, with the help of our brothers in the kingdom and with the help of the Gulf states and all other fraternal and friendly states and Arab and international organizations, and with the efforts made internally, we will be able to overcome this affliction. [passage omitted]

[Question] Since we have mentioned the Iraqi-Iranian war, are you providing any aid for the Iraqi Government in this war?

[Answer] If Iraq asks us we will not decline. We are willing to provide support not only for Iraq but for all Arab states which seek such support, be it material or political. As you may well know, our position on the Gulf war is quite specific. Yemen believes that the resources of the two countries should not be wasted. Unfortunately, Iran has been intransigent and is bent on continuing the war. Iraq has been the first to respond to all international, Arab and Islamic efforts, and it has withdrawn from Iranian territory. We have called for an end to this war and for negotiations to ensure the legitimate rights of both sides. But, regrettably, the Iranian Government is still intransigent. We hope that, God willing, the current efforts by all parties and the efforts to be made by the nonaligned states conference scheduled to meet 6 March will succeed in stopping the bloodletting between the two Muslim nations and preserve their legitimate rights.

[Question] The people of North Yemen and South Yemen still dream of unity of the two parts. How much has been achieved in this regard?

[Answer] Unity between the two parts of Yemen is not a dream. They are bound to be united, and soon. We have so far managed to eliminate many obstacles. The unity state's constitution drafted in 1981 and the joint establishments formed are evidence of progress made toward the birth of a united Yemeni state. [passage omitted]

[Question] In your foreign relations you are not linked to any particular camp and your cooperation is not restricted to any particular state and does not exclude any particular state. Is this line affecting your relations with certain states which have special relations with one of the two camps?

[Answer] As you have said, in our relations there is no subservience of any kind to any camp and we do not accept conditional cooperation. Our policy is clear. It is based on the principle of positive neutrality and nonalignment. I believe that, in dealing with the various states and particularly the big powers, we have managed to persuade them to accept this kind of independent and balanced approach. Our relations with the states which have special relations with one of the two camps are subject to the same principles. We at least have had no problems with them, if we are not to say that our relations with them, as with all states, are good.

[Question] It was reported in the past that you tried to join the GCC. How true were these reports, and why did you try to join the GCC?

[Answer] We have not sought GCC membership, but it is natural to have the strongest ties of cooperation with the GCC states because of Yemen's geographical strategic position in the Arabian Peninsula and because of its demographic weight and its great interest in contributing to peace and stability in the region and in warding off all foreign threats to the region.

We bless every step toward Arab unity, whatever form or shape it takes. At any rate, our relations with all the GCC states are advanced and excellent. [passage omitted]

[Question] The protection of the Red Sea is a joint Arab responsibility, but what role does Yemen play in this protection?

[Answer] Yemen's role is extremely important because of its position overlooking the Bab El-Mandeb Strait. All the Red Sea littoral states are responsible for protecting the Red Sea and keeping it out of the circle of international tension. [passage omitted]

CSO: 4400/185

YEMEN ARAB REPUBLIC

FOREIGN MINISTRY DECLARES SUPPORT FOR IRAQ

GF102048 San'a' Domestic Service in Arabic 1700 GMT 10 Feb 83

[Text] On the basis of the YAR's principled policy, stemming from the fact that it is part of the Arab nation, and its declared and practiced stances in supporting and aiding every Arab country, whose national sovereignty is subjected to aggression, in a statement to Saba' News Agency an official source at the Foreign Ministry affirmed the following:

The YAR continues to stand beside Brother Iraq in its confrontation against Iranian aggression and the defense of its sovereignty and independence and the protection of its territories.

The source called on Iran to respond to all Islamic mediations and expressed the YAR's denunciation for the statement issued on 23 January 1983 by the representatives of Syria, Libya and Iran regarding the Iranian aggression against Brother Iraq because it is not in harmony with the Arab League's charter, the joint defense agreement, and the Fes Summit resolutions. The source affirmed the abidance of the YAR to joint Arab defense agreements and its total stand beside Brother Iraq.

CSO: 4400/185

YEMEN ARAB REPUBLIC

YAR-GDR MINUTES SIGNED; GDR MINISTER LEAVES

GF041804 San'a' Domestic Service in Arabic 1700 GMT 4 Feb 83

[Text] The minutes on the outcome of talks between the YAR and the GDR have been signed at the Economy and Industry Ministry. The minutes included an explanation on the goals reached by the two sides which call for expanding and improving bilateral relations in the field of foreign trade and industry. The minutes affirmed that the talks by the two sides were very successful and that they achieved remarkable progress in enhancing and furthering bilateral relations.

The minutes were signed on the YAR side by Muhammad Hizan Shuhati, economy and industry minister, and on the GDR side by Horst Soelle, foreign trade minister.

The GDR delegation, led by the foreign trade minister, left San'a' this evening. In a statement to the Saba' News Agency, the GDR minister expressed his happiness over this visit, affirming that his talks with concerned officials at the Economy and Industry Ministry and with electrical and planning officials were successful and fruitful. He noted that the third session of the joint economic committee has put forth important [word indistinct] to follow up the strengthening of relations [words indistinct] and the current international situation.

The GDR minister invited some officials to visit the GDR to deepen ties and economic cooperation between the two countries. He was seen off at the airport by the economy and industry minister, a number of officials, the GDR ambassador in San'a', and a representative of the Protocol Department at the Foreign Ministry.

CSO: 4400/185

BANGLADESH-NEPAL JOINT ECONOMIC COMMISSION RENEWED

Dhaka THE BANGLADESH OBSERVER in English 17 Jan 83 pp 1, 8

[Text] Bangladesh-Nepal Joint Economic Commission was renewed for another five years during the just concluded session of the commission held at Kathmandu reports BSS.

The fourth session of the joint commission during its three day deliberations which concluded on Sunday reviewed the progress of implementation of the decisions arrived at the last session. The first five year term of the commission formed in 1978 expired on Friday.

Talking to BSS at the airport on his return from the Himalayan kingdom, Finance Minister and leader of the six-member Bangladesh delegation at the commission's meeting Mr A. M. A. Muhith said both sides expressed their determination to expand trade and economic relations in all possible ways. He said Nepal agreed to purchase 50,000 tons of urea fertilizer during the next fiscal year. The agreement to this effect will be signed later he added.

Nepal which primarily imports newsprint and paper from Bangladesh will also purchase bitumin Mr Muhith said. During the current financial year Nepal will import 20,000 tons of urea, agreement for which was signed earlier.

Describing the current visit to Nepal as a "very satisfying meeting in terms of outcome" Mr Muhith said both sides at the commission's meeting drew up a concrete programme for cooperation for a period of one year. The programme included single country export exhibition of Bangladesh in Nepal, visit by Nepali delegation to Bangladesh for implementation of Dhaka's offer for industrialisation of Nepal made at the recent UNIDO meeting, technical assistance by Bangladesh for the management of two jute mills in Nepal and supply of fertilizer to Nepal under a long term agreement.

The Finance Minister said for transit trade Nepal was offered the facilities at Dhaka Airport and Chalna Port. Nepal's transit trade through Bangladesh during the last year reached nearly 60,000 tons he added.

Mr Muhith said an aviation delegation from Bangladesh will go to Nepal next month to finalise aviation agreement between the two countries. During the

commission's meeting the feasibility report prepared by Bangladesh to set up a jute mill in Nepal was discussed the Minister said.

The Joint Economic Commission held two plenary meetings. Besides three working groups also met to prepare reports on the broad areas of cooperation in the field of (i) trade transit facilities and banking; (ii) industry including joint ventures, agriculture and water resources development and (iii) tourism development, civil aviation, telecommunication and technical cooperation.

Both sides reiterated the need for further strengthening of the commission to effectively promote economic cooperation for mutual benefit, a joint Press release issued at the conclusion of the meeting said. Both sides further reiterated that since the commission was in conformity with regional cooperation among the South Asian countries it could also become an effective instrument in coordinating and promoting programmes for mutual self reliance the Press release added. Both sides agreed to hold regular meeting of the joint review group agreed at the third session to follow up and monitor the implementation of the commission.

Dr Y. P. Pant, Finance Minister of Nepal and co-Chairman of the commission led the Nepalese side at the commission meeting.

An agreed minutes was signed by the leaders of the two delegations after the Joint Economic Commission reached full understanding on all issues based upon the reports of the three working groups.

Besides calling on the Nepalese Finance Minister, Mr Muhith also called on the Prime Minister of Nepal Mr Surya Bahadur Thapa and Minister for Foreign Affairs and Water Resources Mr Padma Bahadur Khatri.

It was decided at the meeting that the commission will hold its fifth session in Dhaka early 1984.

CSO: 4600/1644

CORRESPONDENT REPORTS LEFT REGROUPING; FRONT SOUGHT

Dhaka HOLIDAY in English 15 Jan 83 pp 1, 8

[Article by Mahmud Rashid]

[Text] After a period of prolonged inaction, different political groups belonging to the progressive camp have launched multi-pronged thrusts to float an alliance of the progressive forces on the one hand and a broad-based front comprising political organizations with different ideologies on the other.

A new element has crept in the current processes of unity and that has been intimated by the two factions of Samyabadi Dal (M-L) by casting away all reservations on the question of building up a united front even with the "pro-Moscow" Communist Party of Bangladesh and other groups belonging to this camp on the basis of certain common issues.

Both the factions of Samyabadi Dal (M-L), one led by Mohammad Toaha and Professor Yakub Ali and the other by Khondaker Ali Abbas and Dilip Barua are also active in other processes of unity.

It is learnt that they maintain identical views on the character of the government and the state machinery, principal contradiction, the strategy and tactics and the policy regarding the formation of united front.

They are now conferring among themselves on prospect of wiping out their differences to reappear as a single entity after a period of four years.

The Samyabadi Dal (M-L) which emerged in 1972 (in new name) through a bitter polemics in the then Communist Party of East Pakistan (M-L) suffered a chink because of Mohammad Toaha's soft posture toward Zia government.

Single Party Failure

Both the factions of Samyabadi Dal (M-L) earlier participated in a series of dialogues aimed at building up a single Marxist-Leninist organization through fusion of these two groups with one faction of Revolutionary Communist Party of Bangladesh (M-L) steered by Amjad Hossain and Communist League of Bangladesh (M-L) led by Abdul Matin and Saardindu Dastidar.

While Amjad-led group of RCPB (M-L) and Communist League of Bangladesh unified themselves in a new organization--Revolutionary Communist League of Bangladesh (M-L) in 1980, the two splinter groups of Samyabadi Dal (M-L) inched away from the process.

The Communist League of Bangladesh is still trying to persuade the two factions of the Samyabadi Dal (M-L) to opt for fusion with them in a single organization of these three Marxist-Leninist groups. But their ideological differences are widening with the passage of time.

It is learnt that apart from the process of unity in a single body, the three organizations have been taking part in a process to build a platform of the progressive forces along with Democratic League, United People's Party and Bangladesh Mazdoor Party.

This process has run into snags as they have failed to work out consensus on the identification of common issues for evolving a program of the front in spite of prolonged discussion among themselves in several meetings.

Bleak Prospect

Sources close to this process tend to suggest a bleak prospect of the six-party group emerging as a front on the basis of definite political program. It is learnt that these parties differ in their approach on the issue of building up a united front along with parties of varying shades.

Of these six parties two factions of Samyabadi Dal (M-L) and Bangladesh Mazdoor Party have been conferring with Jatiya Samajtantrik Dal (JSD), Workers' Party, Sramik Krishak Samajbadi Dal and Bangladesh Samajtantrik Dal (BSD) in an attempt to forge two sets of fronts--a united front welding together all political parties except extreme rightists and another of those organizations which consider themselves as "left-leaning" parties.

Indications have it that the Awami League (H) has been cool to the gestures of these parties for building a united front on the basis of certain issues. The opposition to the move by the Awami League springs from its reluctance to share power with any other party, it is gathered.

Besides, differences have surfaced in the recent meetings of the seven parties on the question of identifying their like-minded parties for the formation of what they describe as a "left-leaning" alliance. The latest meeting of these parties that took place last Thursday strove to work out common issues for a program acceptable to all who are expected to join the alliance.

The two factions of the Samyabadi Dal (M-L) are in favor of casting their lot with only United People's Party, Gonotantrik Party and Revolutionary Communist League in the proposed alliance while the three-party combine of Workers' Party, JSD and Sramik Krishak Samajbadi Dal and BSD and Mazdoor Party stand for induction of pro-Moscow parties including Communist Party of Bangladesh, Ekota Party and NAP splinters together with other leftist parties.

CSO: 4600/1642

IMPLICATIONS OF DHAKA UNIVERSITY UNREST NOTED

Dhaka HOLIDAY in English 15 Jan 83 pp 1, 8

[Article by N. M. Harun]

[Text] The Dhaka University went for winter vacation Thursday last. The campus will remain calm for a fortnight--enough respite for the dust of January 11 to settle down. But the twin task of leading a movement and exercising the genie of infantile disorder is a recurrent problem for all the time in any society.

The noisy and chaotic proceedings of January 11, however, superseded the abortive revolt of a section of activists against the leadership of the current students movement. The steadfastness of the student community in opposition to Majeed Khan's education policy and in support of restoration of political rights of the people was unmistakably demonstrated afresh.

But the trouble is with political philosophy and style of work. The leadership of the student movement followed in general the discipline of the national political leadership. The rebel activists were apparently motivated by the spirit of "smash the headquarters" and the gamble that any single spark will always start a prairie fire.

The January 11 happenings also brought into focus the limits of the current national leadership and those of the pressure tactics of frontal organs.

Background

The national political leadership advised "restraint" and a course of "averting direct confrontation" with the authorities. It also favoured negotiation with the authorities, if such occasions arrived, with a view to realising as much demands as possible while the movement will be continuing. Some student activists were opposed to any moderation and favoured building up momentum of the movement by taking to the streets. They decried any talks with the authorities as "betrayal".

Meanwhile, the Chief Martial Law Administrator indicated his willingness to meet the student leaders. The student leaders were taking time to take a decision, and the authorities slammed the door on the talks with a harsh press note.

The student leadership apparently feared that if it followed its original program of going to the Shikhha Bhavan, some situations might be created which would go beyond its capability, and the capability of the national political leadership also to control and lead. It re-scheduled its program: procession to the Shahid Minar on January 11 and to the Shikhha Bhavan on February 14.

The rebel activists built up a campaign in favour of the original program. When the leadership announced the revised program at the January 11 Bat-tala gathering, the rebels denounced it as a "betrayal", defied and manhandled the leaders, led the majority to the Shikhha Bhavan, ransacked the office of the Dhaka University Central Students Union (DUCSU) and formed a parallel organisation for movement.

The rebels, however, later dissolved their parallel organisation, went back to the fold of the formal student leadership, and themselves regretted and condemned the ransacking of the DUCSU office.

The student leadership followed its program with a very small minority of the gathering. But for all the confusions, its leadership was re-established sooner than the revolt against it could take any concrete shape.

Lessons

So, the formal leaderships both in student front and national politics reasserted their positions. But they would have to give serious thoughts of how to lead the people, including the students, during a critical and restive period. Their failures will cause retrogression or anarchy.

The rebels equally must remember that a state of mind is not enough for movement or revolution. There cannot be any politics without political discipline and political party.

The rebels should not forget the great lesson of the "great cultural revolution" of China that "smash the headquarters" is an anarchist aberration. If the demand of time is deemed to be new politics, the task should be primarily of building up appropriate new organs for that politics.

And everybody should note that Lech Walessa and his Solidarity are impotent when they face national politics, because they did not fit into any political framework, alternate to the existing Polish political order. No front, be it student, peasant or labour, can supplant political party.

CSO: 4600/1642

MILITARY REGIME SAID TO PLAN 1984 ELECTIONS

Dhaka HOLIDAY in English 15 Jan 83 p 1

[Article by Jaglul Alam]

[Text] The martial law government of General Ershad is learnt to be planning to hold nationwide general elections in the month of December, 1984. While the constitutional and political thought-process of the military government on the nature and modalities of the national polls are yet to be known, a significant announcement in this regard may be made by General Ershad himself in his address to the nation on March 24 next, the first anniversary of seizure of state power by the armed forces.

While the forthcoming national hook-up is likely to highlight the governmental proceedings of the last 12 months in all spheres of national activities, it will also outline the key questions of the political process as seen by the regime and the tangled question of the military's participation in the statecraft.

Precedent to the national polls, preparations are afoot to set up the local bodies at the union, thana and district levels. The government has already decided to upgrade all the thanas within the span of next six months. Under the present dispensation, government personnel or non-officials nominated by the government to the thana parishad would be the key factors in local bodies' polls as they would hold controlling authorities at the thana level.

Such a process is also likely to exclude the political parties at the grass-roots level because of their relative absence of organization and poor identities at the local level. While at the apex of the presently obsolete organizational structure of the political parties efforts of unity are going on, the political parties have also been caught unawares by the governmental move.

Under this predicament some of the leading political parties like Awami League, BNP and JSD are reportedly in touch with the government to have a foothold in the future local body organization.

CSO: 4600/1642

ERSHAD ADDRESSES INTERNATIONAL ISLAMIC MEET IN DHAKA

Dhaka THE BANGLADESH OBSERVER in English 15 Jan 83 p 1

[Text] The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad, said in Dhaka on Friday that the nation must face the evils by its good actions, reports BSS.

Addressing the International Islamic Conference organised by the Bangladesh Madrasa Teachers Association, the CMLA quoted the Holy Quran as saying, "Face the evils by good actions. I am fully aware of what they say."

He said that the place of Islam as a religion would remain above all in the Constitution of the country. The ideals and principles of Islam would be reflected in every sphere of state and national life, he added.

Gen. Ershad said, all our thoughts and ideas on social, economic, political and cultural affairs will revolve round the basic principles of Islam. He said that 90 per cent of the country's population being Muslims, their culture should also reflect the spirit of Islam.

He said that only the ideals of Islam could bring emancipation for the nation. Our state affairs will be guided by Islamic way of administration, he added.

Referring to the proposed education policy, the CMLA said it was formulated in such a way that it will enable Muslim students to study the Holy Quran, learn Arabic and be educated to follow the ideals of Prophet Muhammad (SM).

Gen. Ershad regretted that some people felt allergic at the question of Islamic principles as if these (principles) would take them backward. He urged the true Muslims to resist these elements.

He said that those who had been suffering from psychological problem of being progressive forward and prejudice free by taking fancy of not following the path of Allah should overcome the barriers and try to understand the inner sense of Islam.

The CMLA pointed out that Islam, a complete code of life, can provide solutions to all our problems. "If we seek anything from Allah with full faith in him and a clean mind, he will surely listen to us and give us our desired thing", he added.

Gen. Ershad said that Islam is a religion of forgiveness. Prophet Hazrat Muhammad (SM) also set many an example of forgiveness even to his arch enemies. In this connection he referred to the cases of the 555 Government officials now being tried on various charges. While considering these cases all human elements will be taken into account in the light of Islam and officers against whom there were no grave charges would be pardoned.

The CMLA announced that the mosques all over the country would be exempted from dues on account of electricity and water. He said that the madrasa teachers would get dearness allowance at the rate of 30 per cent.

He urged madrasa teachers to educate their pupils with the true ideals and principles of Islam so that they (pupils) could become worthy citizens of the country.

The conference was also addressed by Pir Saheb of Sarshina, Shah Abu Zafar Mohammed Saleh and the President of the Bangladesh Madrasa Teachers Association, Moulana Abdul Mannan.

Deputy Chief Martial Law Administrator, Air Vice-Marshal Sultan Mahmud, Minister, members of the diplomatic corps of the Muslim countries and invitees from some Muslim countries were present on the occasion.

Later, the CMLA laid the foundation stone of the Masjid-e-Gausel Azam Abdul Quader Jilani (R.A.) and Bangladesh Jamiatul Mudarreseen Complex.

Laying the foundation stone, Gen. Ershad announced a free donation of land for the complex.

Gen. Ershad offered his Juma and Asr prayers at the venue of the conference. He was also presented with copies of the Holy Quran and Hadith.

CSO: 4600/1641

IMPLICATIONS OF PEGGING TAKA TO DOLLAR EXPLAINED

Dhaka THE BANGLADESH OBSERVER in English 13 Jan 83 p 1

[Text] Bangladesh Taka has now been pegged to US dollar as the intervention currency. Under a circular issued by the Bangladesh Bank to the relevant authorities, the new pegging arrangement has been made effective from January 11 for cross-trading purposes.

The rates committee at the Janata Bank head office which sets the purchase and selling rates of foreign currencies in terms of Bangladesh Taka would directly be quoting the exchange rate of Taka in terms of dollar, instead of computing the same in pegged value of Taka in terms of pound sterling as the intervention currency.

The exchange rate of Taka in terms of US dollar remains now at Taka 24.48 for one dollar in case of buying transactions and Taka 24.52 for one dollar for selling operations on the part of authorised dealers in foreign exchange.

The new arrangement has not, however, altered the existing method of using an index of effective exchange rate as a basis for estimating currency rate adjustments. Actual adjustments in pegged value would continue to be made from time to time in line with changes in index.

It may be recalled here that effective exchange rate index has been used by the Bangladesh Bank since August, 1979. Prior to this, Bangladesh had been following a flexible rate policy since April, 1976 by frequently altering the pegged rate with pound sterling. According to one estimate there were 38 adjustments (both upward and downward in Taka exchange rate) over a period of 64 months. During the period the flexible exchange rate policy was in vogue. Beforehand, the Taka peg with the pound sterling was not altered over the three years from March 1973 to March 1976, except for 58 per cent devaluation in May, 1973.

Under the index method of effective exchange rate with the continuing tradition of pegging taka to pound sterling as the intervention money (enforced since August, '79), there have as well been frequent alternations in the Taka peg with the pound particularly with a view to stabilising Taka=dollar rate, more so at a time when pound sterling has been depreciating against dollar in the international money market.

The new arrangement for pegging Taka to US dollar as the intervention currency will inject greater flexibility to policy-making, the concerned circles feel. Importers and exporters will now be subjected to greater certainty of taka costs and receipts, suffer less from foreign exchange risk (in using export proceeds for import payments) and avoid wasteful movements of resources or fluctuations in output they noted. This is so as eighty per cent of the country's imports as of now are invoiced in US dollar and 48 per cent of export receipts are denominated in dollar.

Meanwhile, the concerned circles note that under a taka-dollar peg, there would be considerable incentives for the country's exporters to shift to invoicing in dollars both due to stability of taka proceeds and for shifting foreign exchange risk to foreign importers. They observe that pegging to the dollar would further imply fixed exchange rates with all dollar peggers, leading to relatively more stable exchange rates with many other currencies. The problems of reserve management will also be eased, they added.

CSO: 4600/1638

FOREIGN MINISTER'S SPEECH IN MANAGUA REPORTED

Dhaka THE BANGLADESH OBSERVER in English 17 Jan 83 pp 1, 8

[Text] Managua (Nicaragua), Jan 16:--The Foreign Minister Mr A. R. Shams-ud Doha, has emphasised the compelling need for closer consultation between the Non-aligned member countries of Asia and the Latin American-Caribbean region to reinforce the movement's unity and solidarity, reports BSS.

Addressing the closing session of the extraordinary Ministerial meeting of the Bureau of Non-aligned Countries here recently the Foreign Minister expressed "concern and anxiety" for the very serious issues confronting the Latin American and Caribbean countries.

Mr Doha said 'for many of us from Asia, the complex situation here with its diverse and yet homogeneous components is not very different to the problems which most Asian countries have faced and are still facing.'

The Foreign Minister pointed out that the expression of concern of the Asian countries "reflects our solidarity with the great people of this region and our recognition and respect for its rich culture and ancient civilisation".

Mr Doha observed that the conference had helped the Asian countries immensely in understanding the socio-economic and political problems of the area.

He expressed deep appreciation for the role of Cuba towards focusing attention on the rapidly developing events in the area. He also noted with appreciation the significant and vital role undertaken by the Governments of Mexico and Panama, Colombia and Venezuela in bringing about an atmosphere of reconciliation and understanding in the region.

The Foreign Minister expressed gratitude to the Government and the people of Nicaragua for generous and sincere hospitality extended to the delegation from Asia.

The extraordinary Ministerial meeting of the Non-aligned Bureau has incorporated in its communique the amendments and proposals moved by Bangladesh delegation with regard to political and economic affairs.

Another message says: The Foreign Minister, Mr. A. R. Shams-ud Doha who attended just concluded extraordinary Ministerial meeting of the Bureau of the Non-aligned countries in Nicaragua had meetings with the Foreign Ministers of Cameroon, Chad and Democratic People's Republic of Korea on Friday in Managua.

During the meetings the Foreign Minister exchanged views on matters of mutual interest and discussed ways and means for furthering the unity and solidarity of the Non-aligned Movement.

Mr. Doha is scheduled to leave for London enroute to Marrakech today.

Doha in NY

Meanwhile, Mr. Doha arrived here yesterday from Managua after attending the extraordinary Ministerial meeting of the Bureau of Non-aligned countries.

He was accompanied by other members of his delegation.

CSO: 4600/1644

ERSHAD DISCUSSES REORGANIZATION OF POLICE FORCE

Dhaka THE BANGLADESH OBSERVER in English 12 Jan 83 p 1

[Text] The Chief Martial Law Administrator, Lt. Gen. H. M. Ershad, said in Dhaka on Tuesday that the police force was being reorganised to make it more dynamic and sensitive to respond to the call of service to the society, reports BSS.

Addressing the senior police officials, the CMLA said that the nation needed a police force befitting an independent country. He asked the police to shun legacy of the colonial days and be service-oriented.

He pointed out that the role of the police had assumed a new dimension in the changed circumstances for ensuring the country's overall development. He hoped that the police would uphold their glorious traditions of contributing to the development efforts by maintaining peaceful atmosphere in all spheres of national life.

Gen. Ershad emphasised the need for continued training to improve their professional efficiency. He said there should not be communication gap between the high officials and the subordinates of the police force. He asked the senior officers to supervise the work of the officers of lower ranks more frequently.

Referring to the thana-based administrative system, he said it is a step towards restoring democracy aimed at ensuring people's participation in the national development efforts. The police force, he pointed out, has a great role to play in motivating the people towards achieving this goal.

The CMLA stressed the need for reducing dependence on foreign assistance. The Government, he said, was evolving a system to enable the country to implement its development programmes from its own resources. This will require concerted efforts and sacrifices of all sections of people, he added.

Gen. Ershad referred to the proposed education policy and said this has been made for building a literate and work-oriented society and making the education system scientific.

He said a section of people is clamouring over the education policy without comprehending its beneficial aspects and ultimate objectives. He hoped that the people, particularly the students, would try to analyse the proposed education policy vis-a-vis the problems of their own community and over all situation obtaining in the country.

The Home Minister, Major-General Mohabbat Jan Chowdhury, was present on the occasion.

CSO: 4600/1635

NO STEPS TAKEN TOWARD PROMISED TIN BIGHA LEASE

Dhaka HOLIDAY in English 15 Jan 83 p 1

[Article by Moti Chowdhury]

[Text] Although about three and a half months have elapsed, no meaningful step has been taken to implement the lease in perpetuity of the Tin Bigha corridor by India to Bangladesh. The terms of the lease agreement were finalized by the two countries during the visit of CMLA Lt. General Ershad to New Delhi last October.

It may be mentioned here that India originally agreed to hand over Tin Bigha to Bangladesh in 1974 and the demarcation of land and boundary agreement between India and Bangladesh was signed on May 16, 1974. While Bangladesh parliament ratified the treaty at the end of the same year, Indian parliament had not cared to ratify it so far.

The issue was taken up once again during the CMLA's visit and the terms of the lease were finalized but Bangladesh is yet to get control of Tin Bigha.

The lease in perpetuity of Tin Bigha to Bangladesh was made for connecting Dahagram and Angao-pota with Panbari mouza to enable Bangladesh government exercise its sovereignty over the enclaves.

According to the terms of lease, the modalities for implementing it were entrusted to the deputy commissioners of Rangpur and Coochbehar. In case of differences, they were supposed to refer the matter to their respective governments for resolution.

But it is gathered that no survey of area has started to demarcate the land. Bangladesh is learnt to have requested India for speedily implementing the lease agreement, but so far has not received much response.

CSO: 4600/1642

CABINET APPROVES JUTE PACT, REORGANIZATION

Dhaka THE BANGLADESH OBSERVER in English 14 Jan 83 p 1

[Text] The Council of Minister has approved signing of the international agreement on jute and jute products 1982 by Bangladesh, reports BSS.

The approval came at a meeting of the Council held in Dhaka on Wednesday night at the CMLA's Secretariat with the Chief Martial Law Administrator, Lt. Gen. H. M. Ershad in the chair.

Under this agreement an organisation named as International Jute Organisation will be set up to promote research, development, reduction in cost of cultivation and market development of jute. Bangladesh will have 45 per cent voting rights in this organisation with its headquarters in Dhaka.

The Council decided to rename the Ministry of Local Government, as Ministry of Local Government, Rural Development and Cooperatives to fully reflect the business of this Ministry.

It considered the foreign exchange budget for 1982-83 fiscal year. The budget estimates and income of US dollar 1320.6 million and an expenditure of US dollar 1192.9 million leaving a reserve of US dollar 127.7 million on June 30 this year were approved.

The Council decided to give concession rate of salami at Taka 1.5 lakh per bigha to the Journalists Housing Cooperative Society (Dhaka Journalists Union) if the entire salami is paid in one instalment before June 30 this year.

However, if the entire salami is not paid in one instalment within the stipulated time, they may pay the salami in four instalments within 48 months with previously determined salami of Taka two lakh per bigha.

CSO: 4600/1639

INFORMATION MINISTER LEAVES FOR MUSLIM PARLEY

Dhaka THE BANGLADESH OBSERVER in English 13 Jan 83 pp 1, 12

[Text] Information Minister Syed Najmuddin Hashim stressed in Dhaka on Wednesday the country's commitment to the development of information media on the eve of his departure for Senegal to attend a meeting of an Islamic Conference on Information and Culture.

"We are deeply and irrevocably committed to Islamic causes and would place our media facilities at the disposal of OIC for furthering its programmes activities" he told BSS before leaving at the head of a three-member team for the conference.

The first meeting of the Standing Committee for Information and Culture of the Organisation of Islamic Conference will be held at Dhaka on January 18-19. Besides Bangladesh 11 other members are attending.

Bangladesh, the Minister added, would play a "useful role" at the two-day conference which will discuss the issues relating to the information plan of the OIC and cooperation between national information organs of the member states.

Mr. Hashim said the meeting of the Standing Committee would also discuss the programme of studying Islamic culture and civilisation, increasing contact and exchange between Islamic and other cultures.

The Minister said the meeting would try to find out ways that could effect changes in world public opinion in favour of Muslims and problems of the Muslims.

He said it would also highlight the justness of our cause by rectifying the western view of the problems of the Muslim Ummah showing the true face of Islam based in tolerance and brotherhood and changing the role of international public opinion from "spectator to sympathiser".

Syed Hashim said on the cultural side, the meeting would discuss steps for the rescue and preservation of Islamic heritage like archaeological sites, manuscripts, arts and music in which Bangladesh had a very deep interest.

CSO: 4600/1638

EDUCATION MINISTER RETURNS FROM MALDIVES PARLEY

Dhaka THE BANGLADESH OBSERVER in English 15 Jan 83 p 1

[Text] Bangladesh has stressed on the need for integrating moral and ethical values in the modern education systems in the Muslim countries at a conference in Maldives, the Minister for Education and Religious Affairs, Dr. Abdul Majeed Khan said in Dhaka on Friday, reports BSS.

The Minister, who returned home on Friday after attending the four-day conference there, said the emphasis was aimed at "creating an alternative modern education system" imbued with the moral and ethical fabric to help the Muslim countries combat the "identity crisis".

The conference on "Call for Islam in South and South East Asia" held in Male was attended by Ministers, scholars and officials from Bangladesh, India, Pakistan, Libya, Sri Lanka, Mauritius, Hong Kong, Malaysia, Indonesia, Thailand, Singapore and Burma.

The Minister said that the present identity crisis of the Muslim world was because of the conflict between the Muslim's firm conviction in Islam and lack of Islamic orientation and ethical and moral contents in modern education systems in these countries.

Dr. Khan said the Muslims of the South and South East Asian region where Islam was spread through precepts and practices of pious preachers and not by sword became only emotionally attached to the religions.

"They (the Muslims) can sacrifice their lives for Islam, but don't go for a thorough following of its lessons" the Minister observed.

"The conflict lies with the fact that we are prescribing solutions of seventh century for the problems of the day", the Minister said, observing that the Prophet himself did not follow this method but set a new one.

The Minister said Islam was one of the most contemporary religions having "current solutions for current problems" and stressed the need for more study and research to cope with the challenges of modern times and needs.

The efforts of the government to reorient the education policy with a moral fabric, the setting up of Islamic Institute of Education and Research and the Islamic University and Bangladesh's keen interest for upholding the Islamic message were highly appreciated in the conference, the Minister said.

CSO: 4600/1641

BRIEFS

AMBASSADOR TO VIETNAM--The Government has decided to concurrently accredit Mr M. Keramat Ali, at present Ambassador of Bangladesh to Burma, as Ambassador to the Socialist Republic of Vietnam, it was officially announced in Dhaka on Saturday, reports BSS. [Text] [Dhaka THE BANGLADESH TIMES in English 16 Jan 83 p 8]

LOAN FOR WATER PLAN--The United Nations Development Programme (UNDP) will give Bangladesh 6.5 million US dollars for a water master plan. Bangladesh Government will provide Tk 13 million to the master plan which is intended to prepare a long term programme for the development of the country's water resources. The project will help build up Bangladesh's own capacity to maintain, update and improve the water master plan on a continuous basis. It comprises of a number of investment projects involving a through-going assessment of the water resources available in Bangladesh. The plan will also examine alternative users of water (domestic water supply, inland navigation) and seek to identify the optimal tradeoffs among these in terms of development objectives. Bangladesh and World Bank will jointly implement the project. The Bank is now mobilising the best international consultancy talent to work alongside the Bangladesh team. It is one of the largest technical assistance projects ever approved by the World Bank and UNDP. To implement this project, a new master plan organisation will be established in the Irrigation, Water Resources and Flood Control Division of the Ministry of Agriculture. This organisation will be responsible to the inter-ministerial coordinating committee and also to the national water council headed by CMLA. [Text] [Dhaka THE NEW NATION in English 17 Jan 83 p 1]

FORMER MINISTER'S TRIAL--The five-member Special Martial Law Tribunal No. 2 on Monday announced the judgement of the first case against former Deputy Prime Minister in-charge of the Ministry of Power, Water Resources and Flood Control Mr. Moudud Ahmed, reports BSS. The Tribunal found Mr. Moudud Ahmed not guilty of the charges against him and acquitted him in this case. During 11-day hearing of the case the Tribunal examined 19 prosecution witnesses. The Tribunal also recalled two prosecution witnesses for re-examination. Defence did not produce any witness. The Tribunal is headed by Colonel A. B. M. Elias. The other members of the Tribunal are: Commander Mohammad Abdul Majid BN, Wing Commander Ruhun Nabi, Mr. Mohammad Hamidul Huq, Magistrate First Class and Mr. Khorshed Alam Majumder, Additional and District Sessions Judge. The prosecution case was conducted by Special Public

Prosecutor Syed Serajuddin Ahmed and Assistant Public Prosecutor Mr. A. S. M. Obaidul Huq. Advocate Julmat Ali Khan, Advocate Shorful Islam Khan, Barrister A. K. M. Nazrul Islam, Barrister Mainur Reza Chowdhury and M. Wahed Advocate appeared for the defence. [Text] [Dhaka THE BANGLADESH OBSERVER in English 18 Jan 83 p 1]

NEW BRAZILIAN AMBASSADOR--Mr. Antonio Conceicao has been appointed ambassador of Brazil to Bangladesh reports BSS. Born in 1933, he graduated in law from the Federal University of Bahia, Brazil, in 1948 and had training in the Brazilian Diplomatic Service Academy. Mr. Conceicao served in various capacities in the Brazilian Missions in Spain, Panama, Dominican Republic, Japan, U.S.A. and Paraguay. Prior to his present assignment he was Consul-General in the Brazilian Consulate General in Vige, Spain; apart from these he acted as Advisor to the Brazilian Government on several occasions. Mr. Conceicao has to his credit the decoration of the official of the Brazilian order of Rio Branco. [Text] [Dhaka THE BANGLADESH OBSERVER in English 12 Jan 83 p 12]

ALGERIAN PRESENTS CREDENTIALS--The new Ambassador for Algeria to Bangladesh, Mr Mohamed Larbi Demaghlatus, presented his credentials to President Mr Justice Ahsanuddin Chowdhury at the Bangabhaban in Dhaka on Monday morning, says an official announcement. Presenting his credentials, the envoy said that he would strive his best to promote further the existing bonds of friendship and mutual understanding between his country and Bangladesh. The President reciprocated the sentiments expressed by the envoy and assured him of all possible cooperation and assistance in the discharge of his duties and responsibilities. Earlier, on arrival at the Bangbhaban the Algerian Ambassador took salute given by a smartly turned-out contingent of the President's Guard Regiment and inspected the Guards. [Text] [Dhaka THE BANGLADESH TIMES in English 12 Jan 83 p 3]

NEW PLO REPRESENTATIVE--The PLO Representative in Bangladesh, Mr. Ahmad Abdur Razzeq Al-Salman, presented his letter of introduction from the PLO Chairman to the President, Mr. Justice Ahsanuddin Chowdhury, at the Bangobhaban in Dhaka on Thursday morning reports BSS. Presenting his letter of introduction the PLO Representative expressed his deep appreciation for the unstinted support of Bangladesh to the legitimate causes of the Palestinian people including their right to have a state of their own in their homeland. He hoped that the existing bonds of fraternity and friendship between the Palestinian people and Bangladesh would gain in strength in the days ahead. Reciprocating the sentiments expressed by the PLO Representative, the President reiterated total support of Bangladesh for the restoration of the inalienable national rights of the Palestinian people to have their homeland. He wished early victory of the valiant Palestinian brethren in their heroic struggle for their home land under the leadership of the PLO. [Text] [Dhaka THE BANGLADESH OBSERVER in English 14 Jan 83 pp 1, 12]

CSO: 4600/1636/1637/1640

HOPEFUL SIGNS NOTED IN PRC NEGOTIATION POSITION

Madras THE HINDU in English 9 Jan 83 p 2

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 8.

The Centre is considering a series of stringent austerity measures to curtail all avoidable public expenditure for keeping budgetary deficits within manageable limits, conserving foreign exchange reserves and narrowing the widening gulf in balance of payments.

The financial situation is considered so serious that the officials concerned working on the budget have brought the disturbing details to the notice of the Prime Minister as soon as she got back to Delhi from her election campaign and sought her approval for initiating the necessary moves to impose severe constraints on wasteful expenditure.

The big question to which there is no easy answer is how to enforce the requisite economic discipline both at the Centre and in the States, without impeding normal growth or reducing welfare expenditure. But the Centre has to set the right tone by refraining from needless extravagance to be able to compel the States to follow its example.

Apart from the fact that the country's foreign exchange reserves have been declining at a rapid rate, the balance of payments position has become pretty grim because of increased imports and additional defence purchases in the absence of matching exports. Though there has been no decline in inward remittances which continue to flow at an average monthly rate of Rs. 400 crores, the foreign exchange reserves have fallen sharply to Rs. 3,500 crores despite the drawal of Rs. 1,250 crores during the current financial year from the IMF.

Hopes: The Government hopes to improve the balance of payments by stepping up domestic production and through import substitution wherever possible. The sectors

where special effort is being made to increase the output and reduce imports are oil, fertilizer, food, steel, cement and edible oils which can save foreign exchange.

In addition to importing about five million tonnes of foodgrains, the Government is obliged to spend before the end of the current financial year, an estimated Rs. 600 crores on drought relief operations. Another bad monsoon can increase this burden considerably, upsetting all budgetary calculations.

The spending spree of the Central and State Governments has reached such limits that the Reserve Bank has not been able to restrain them by denying further overdrafts or insisting on adherence to the ceilings set for borrowings from bank deposits. There is considerable concern in the Finance Ministry that the IMF might take a dim view of the Government's capacity for observing financial discipline if it continues to exceed the prescribed credit limits.

No account: There is no consolidated account, for example, of how much money has been spent on the Asiad under different heads, with the result that there is not even a rough estimate of the expenditure. Similarly, the Government is proceeding on the assumption that the coming non-aligned conference would cost anywhere between Rs. 50 and 100 crores depending on how the accounting is done.

Apart from the various austerity measures under contemplation, the Government is toying with the idea of some imaginative concessions to encourage savings to promote increased domestic credit generation, while borrowing money from all available sources to relieve more immediately the mounting pressures on balance of payments. But otherwise, there is little scope at present for any worthwhile tax concessions to help the hardpressed middle classes and weaker sections.

INDIAN, PRC STANDS ON NORMALIZATION TALKS EXAMINED

Calcutta THE STATESMAN in English 17 Jan 83 pp 1, 9

[Text] New Delhi, Jan. 16.--An Indian delegation comprising senior officials of the Government will leave here for Beijing on January 28 to commence the third round of talks on normalization of relations between India and China and more particularly to find a solution to the border issue.

That all other issues are insignificant in comparison with the border issue is accepted by both sides although the Chinese for their part would rather wish that other steps were taken to normalise relations between the two neighbours leaving the settlement of the border dispute to more propitious times. But, if has been the Indian position--and the Chinese, too, have realized it--that the key to normalization lies in finding a lasting and comprehensive solution to the border dispute.

Thus it can be taken for granted that when the Indian delegation begins its discussions with its counterpart delegation in Beijing, it will, as before, accord the highest priority to the question of resolving the border dispute. In this connexion, it will be good to remember that Chinese posturings such as the noise that Beijing made over the Arunachal dance sequence at the Asiad is not to be taken seriously although New Delhi appears quite concerned over the Chinese reaction, particularly when it is seen in the context of a similar incident when Beijing showed its disinclination to issue a visa to the Speaker of the Arunachal Assembly.

On the positive side must be noted the fact that the Chinese Prime Minister, Mr Zhao Ziyang, and his Foreign Minister will be flying over Indian territory on January 16 on their way back from a longish African tour. Something which they would not do in the past. And that the Indian delegation will fly over the disputed Karakoram region on its way to Beijing via Karachi. Both are healthy developments which are interpreted as readiness on the part of the two to get over their earlier inhibition even on such matters of minimal interest. But then such has been the state of Sino-Indian relations in the past that one has to take note of even these two developments.

The Chinese, it is pointed out, have their own compulsion to seek a solution to the border dispute. The extension of Soviet "hegemony" to

Afghanistan has caused serious concern to Beijing. Coupled with the Soviet-backed Vietnamese military intervention in Kampuchea the Chinese see the incursion in Afghanistan as a direct threat to their interests in this region. That is perhaps the most compelling reason why the Chinese have during the past two years been urging the countries of sub-continent to put an end to their differences, if only to prevent "Soviet expansionism and hegemony." The Chinese Prime Minister has made repeated references to this latter aspect (of sub-continental harmony) during his visits to Bangladesh, Nepal and Pakistan.

However, while India considers a solution to the border dispute essential it feels that it cannot be achieved by "arm-twisting" by either side. India would obviously like the entire border issue, comprising the western, central and eastern sectors to be settled. This is in accord with the Chinese desire for a comprehensive solution. To arrive at such a solution, it is necessary that there is agreement on a basis on which the discussions are to proceed. When the late Chinese Prime Minister, Zhou (Chou) En Lai, first mooted the question of realignment of the border in 1960, two years before the Chinese invasion, he had suggested that China would accept the McMahon Line if India reciprocated by renouncing her rights to the Aksai Chin. It was his contention then that an actual line of control had already come into existence. But this was followed by China annexing more territories, including those in Ladakh. The issue has taken many turns and twists since.

Indian sources for obvious reasons are reluctant to discuss where exactly they wish the border dialogue to get started. But the feeling, one imagines is, that the Zhou proposal offers a viable position to make a start although this should not be construed to mean that India is ready to forego unilaterally its claim to Aksai Chin. There is hard bargaining ahead of the Indian delegation. Fortunately, for both, their positions are well known terms of historical and geographical data. In the event it is quite likely that the two sides may wish to make a fresh start rather than be bogged down in desultory polemics. Much will of course depend on what position the Chinese take. What gives rise to hope is that both sides even as they reassert their respective positions, do not seem loath to making concessions or showing accommodation for each other's point of view or compulsions.

CSO: 4600/1627

REPORTAGE ON INDO-IRAQI COMMISSION MEETING

Report on Joint Statement

Calcutta THE STATESMAN in English 14 Jan 83 p 1

[Text] New Delhi, Jan. 13.--Iraq has agreed to initiate action for a fair and speedy settlement of financial claims of Indian companies engaged in development projects in that country, according to an announcement made here today, at the end of the eighth session of the Indo-Iraq Joint Commission.

In a joint statement issued at the end of the two-day meeting of the Indo-Iraq Joint Commission, it was noted with satisfaction that despite the special circumstances prevailing in view of the two-year-old Iran-Iraq conflict Indian companies had maintained their presence in Iraq and were doing their utmost to complete the projects entrusted to them. Indian companies were engaged in the execution of 90 projects in Iraq.

In view of the rapid developments in trade, economic cooperation and technical and cultural relations between the two countries, they agreed to set up three sub-committees in those fields.

Earlier the Iraqi Minister and Mr Shiv Shankar, Minister for Petroleum and Energy, who led the Indian delegation to the eighth session here, signed an agreed minutes after a two-day meeting.

The Indian team raised issues regarding the financial claims of Indian firms and organizations participating in the execution of development projects in Iraq as a result of the disruption caused by the Gulf War.

Iraqi Minister Meets Press

New Delhi PATRIOT in English 15 Jan 83 p 5

[Text]	<p>Iraq hopes to step up its crude exports by the end of this year by increasing the capacity of the crude pipeline, now operating through Turkey, report agencies. Talking to news agency correspondents on Friday on the eve of his departure after four-day visit to the country, Iraqi Oil Minister Qassim A Taqi said work on expanding the capacity of the pipeline by 45 per cent was expected to be completed before the end of this year.</p>	<p>Mr Taqi said two-thirds of Iraqi oil exports were affected by the stoppage of the flow of Iraqi oil by the Syrian regime through the pipeline via that country.</p>
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Iraq, a traditional supplier of oil to India has agreed to supply 3.5 million tonnes of crude this year.

Mr Taqi expressed satisfaction at the outcome of the eighth session of the Indo-Iraqi Joint Commission for economic and technical cooperation which concluded in Delhi on Thursday.

He said the agreed minutes of the session signed reflected the keen desire and determination of both the countries to enlarge the areas of cooperation for mutual benefit.

Mr Taqi said Iraq was now reviewing its development programmes based on the availability of foreign exchange. Naturally, the war efforts have priority over other programmes, he added.

He said the Iran-Iraq war had prolonged because of the rejection of all peace efforts by the Iranian regime.

Mr Taqi reiterated that Iraq had already initiated action to give 'fair and just compensation' for additional costs incurred by foreign companies, in-

cluding Indian, engaged in construction work there as a result of the war conditions. Some 60 Indian companies are engaged in the execution of 90 projects in Iraq.

He ruled out any special privileged treatment to Indian or other foreign companies regarding their compensation claims. A uniform criteria would be applied for payment of compensation to all companies "who submit their claims in a rational manner", he said.

CSO: 4600/1621

INDIA

AFRICAN NATIONAL CONGRESS HEAD MEETS DELHI PRESS

New Delhi PATRIOT in English 22 Jan 83 pp 1, 7

[Text] African National Congress president Oliver Tambo said on Friday that the most striking feature of the ANC delegation's visit to India from 18 January was the level at which it was received and given the status of a Government team.

Addressing a press conference in the Capital, he informed that the ANC considered this as 'not only a declaration of support but an act of solidarity and support for our organisation and people and a signal for other non-aligned countries.'

The discussions he and other members of the delegation had with President Zail Singh, Vice-President M Hidayatullah, Prime Minister Indira Gandhi and External Affairs Minister P V Narasimha Rao in the last few days were 'very reassuring', he said, adding that while he briefed them on developments in South Africa and the southern part of the continent, the two sides together exchanged views on the outcome of the forthcoming Seventh Non-Aligned Summit.

Nelson Mandela

'The developing relations between India and the ANC are having a direct bearing on events in South Africa. This is also reflected in the act of the Jawaharlal Nehru Award for International Understanding to Mr Nelson Mandela,' he said.

Mr Tambo disclosed that Mr Mandela, the veteran freedom-fighter of South Africa, was in good spirits in solitary confinement in a prison near Capetown. 'It is high time for the international community to literally clamour for his immediate release. It is 20 years since he was thrown in prison,' Mr Tambo said.

He said the ANC was rallying over the years more and more black and coloured people who were coming together in united movements. The armed struggle within the country was intensified alongside the 'rising wave' of industrial actions by workers. Students and youth were being drawn into the freedom struggle and members of religious bodies courting arrest in increasing numbers.

But the most noteworthy development was that larger number of whites were joining the mass movements and refusing to join the South African Army to conduct repression on the people. Some of them had left the country while others had thrown their lot with the ANC.

In such a situation, the apartheid regime was speaking of 'reforms,' a new word in the political vocabulary of the racists, to discuss changes in the Constitution, amend labour laws although in doing so the 'position of the South African worker is being rendered more difficult than what it was before.'

'It is our hope that the forthcoming Non-Aligned Summit will open new channels and opportunities to ensure rapid progress, realisation of justice in South Africa and Namibia as well as peace and security in southern Africa.'

He further informed that the ANC, which has the observer's status in the Non-Aligned Summit was now thinking of applying for membership of the movement.

Indian Support

India assured South African freedom-fighters of its continued support against the racist regime.

Speaking at a dinner hosted in honour of Mr Tambo, External Affairs Minister P V Narasimha Rao said 'There are clear signs of fear and desperation among the racists and those who collaborate with them.'

India, Mr Rao said, was aware that the racist regime was actively engaged in all kinds of 'fraudulent manoeuvres' to perpetuate and further institutionalise its oppressive and inhuman system.

He recalled Mr Tambo's last visit to receive the Nehru Award and said 'We have watched with admiration the heroic and valiant struggle with the ANC was waging guided by Mr Mandela's ideals and able leadership.'

India has always opposed racism and apartheid and 'given our own history and leadership of Mahatma Gandhi it was only natural that we were much ahead of the United Nations in giving a call for comprehensive mandatory sanctions against South Africa.'

'We in India will continue to identify ourselves fully with you in your hopes and aspirations. We can understand you because we too have known that it is not to be free,' he said.

CSO: 4600/1634

PAPERS REPORT TALKS WITH BRITISH FOREIGN TRADE MINISTER

13 Jan Report

Madras THE HINDU in English 14 Jan 83 p 9

[Text]

NEW DELHI, Jan. 13.

Britain has evinced interest in the establishment of another super thermal power plant, besides associating with the energy development programmes in India. This was conveyed by the British Foreign Trade Minister, Mr. Peter Rees, during his talks with Union Ministers here on Thursday.

Britain is now financing the Rs. 103-crore Rihand super thermal power plant in Uttar Pradesh to generate 1,000 MW through two units of 500 MW each. Mr. Rees told the Union Minister of State, Mr. Vikram Mahajan that Britain was keen to participate in another 1,000 MW super thermal power plant.

At his meeting with the Energy Minister, Mr. P. Shiv Shankar, Mr. Rees said British companies could provide back-up services to programmes in energy sectors in the country. Mr. Shiv Shankar referred to efforts being taken to develop renewable sources of energy in the context of the widening gap between indigenous production of crude and the demand for petroleum products.

Mr. Rees, in his talks with Mr. Shivraj Patil, Union Commerce Minister, reviewed the existing trade relations between the two countries and possibilities of further expansion. Mr. Patil expressed concern over the continuing adverse trade balance with the U.K. and men-

tioned about certain difficulties faced by Indian exporters in sectors like tea, groundnut extraction and tobacco. Mr. Rees promised to do his best to find mutually acceptable solutions Possibilities

Mr. Rees pointed out that preliminary talks had been held between the export group for the construction industries and the Association of Indian Engineering Industry on the possibilities for collaboration in the field. The British Consultants Bureau had set up a joint committee with AIEI to examine joint ventures.

With Mr. Pranab Mukherjee, Union Finance Minister, Mr. Rees reviewed the bilateral economic relations. Besides expansion of Indo-British trade, prospects of collaboration in fields such as steel, telecommunications and power were discussed. The present position and prospects of the multilateral financial institutions like IDA, IMF and Asian Development Bank figured.

At his meeting with Mr. N. D. Tiwari, Union Minister for Steel, Mines and Industry, Mr. Rees conveyed Britain's interest in assisting the implementation of a new zinc smelter project in Rajasthan, Daitari steel plant in Orissa, and expansion of Durgapur steel plant. He said Britain would send a fairly representative team for purchase of engineering goods from India.

14 Jan Report

Calcutta THE STATESMAN in English 15 Jan 83 p 1

[Text] New Delhi, Jan. 14--Britain today offered to supply modern and sophisticated coal-mining equipment and other services for the development of coalmines in India.

This was the outcome of talks between the British Trade Minister, Mr Peter Rees, and the Minister of State for Energy, Mr Gargi Shankar Mishra, here.

Mr Mishra told the visiting Minister that India was already importing some major equipment from Britain, and had found them good. The major items being imported from Britain included draglines, mechanized longwall mining equipment, road headers and large capacity shovels.

The Indian Coal industry has been receiving both technical and financial assistance from the U.K. since during the last few years. A sectoral grant of £10 million was first made available in 1975 for buying capital equipment and coal mining machinery. During 1980, the British Government allocated a further £11 million for the coal sector, followed by another £10 million in 1981.

British aid for the Daitari steel project will depend on the extent of participation by firms in that country. In any case, 100% aid by Britain in Indian projects is not possible, according to Mr Rees.

On power generation plants, Mr Rees said that British firms would be interested in turnkey projects. The other sectors in which Britain was interested in helping India were coal extraction and back-up services for off-shore exploration.

Mr Rees announced that £300,000 of the British aid budget had been earmarked for developing Indian marketing techniques. This was necessary if Indians were to make a mark in the sophisticated European market.

On the question of the large imbalance in Indo-British trade, Mr Rees said that U.K. export figures included the cost of the Jaguar and other defence equipment. They also contained capital plant and other imports, which would go to expand India's industrial base and its exports.

CSO: 4600/1622

INDIA REPORTED READY TO AID PAK-AFGHAN TALKS

Madras THE HINDU in English 17 Jan 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 16.

The U.N. Secretary General, Mr. Javier Perez de Cuellar, has indicated privately to some non-aligned countries that he was a little more hopeful now of finding a solution to the Afghan problem.

He has been in touch with not only Pakistan, Iran and Afghanistan but also with the United States and the Soviet Union to informally ascertain what in their view would be a reasonable settlement.

As one who had acted as the U.N. special representative on Afghanistan before he became Secretary-General, Mr. De Cuellar is well acquainted with the complexities of the Afghan problem. It was through his personal efforts that the last round of indirect talks under U.N. auspices was arranged in Geneva in June, 1982 to provide a private forum for communication between representatives of Pakistan, Iran and Afghanistan, while he himself had been in touch with Moscow and Washington.

Fresh bid

The present U.N. representative, Mr. Diego Cordovez, who visited Islamabad, Teheran and Kabul a few months back, is planning to resume the threads of his mediatory efforts under Mr. De Cuellar's personal direction in a fresh bid to solve the Afghan problem, if it is at all possible in the present circumstances.

Mr. Cordovez is due to arrive in Islamabad on Tuesday, January 18, and visit Teheran before going to Kabul towards the end of this month in an effort to identify the common denominators of agreements, if any, in their respective approaches to the problem. If any worthwhile points emerge from these discussions, Mr. De Cuellar himself would pursue the matter further with Moscow and Washington.

The Secretary-General is reported to be satisfied with the flexible attitude adopted by the Babrak Karmal regime in recent exchanges, in refreshing contrast with its rigid stand during the earlier discussions. The Pakistani and Iranian governments, while continuing to insist on a complete withdrawal of all Soviet troops, have lately been stressing that at least a pull

back from the border areas would help to create a better atmosphere for further talks on the Afghan problem.

The Soviet Government also has been in touch with both Pakistan and Iran in a parallel attempt to find a solution that would be acceptable to all the countries concerned without compromising its own special interests in Afghanistan. After Mr. Andropov himself had spoken to Gen. Zia-ul-Haq in Moscow at the time of Mr. Brezhnev's funeral, there has been a noticeable toning down of the Pakistan criticism of the Soviet presence there.

Delicate parleys

As host to the forthcoming non-aligned summit conference, India is interested in avoiding unduly sharp references to the Soviet intervention, while these delicate parleys are in progress under the U.N. auspices. It would be happy to lend a helping hand in arranging a

private meeting in Delhi between Afghan and Pakistan representatives during the summit, even if Mr. Babrak Karmal and Gen. Zia cannot meet at this stage for any direct exchanges.

The heads of the Afghan and Pakistan governments will be in Delhi for the summit along with their Foreign Ministers and senior officials to assist them. There will be several social occasions for them during their week-long stay in Delhi to establish private contact, if they are indeed keen on finding a mutually acceptable basis for direct discussions.

The U. N. Secretary-General will be attending the non-aligned summit conference. If anything worthwhile emerges from his talks in Islamabad, Teheran and Kabul, Mr. Cordovez also might accompany Mr. De Cuellar to Delhi.

At one stage, the Soviet Union itself was reported to be contemplating a token withdrawal of its troops on the eve of the Delhi summit to create the right atmosphere for any discussion on Afghanistan. There has been no response from Moscow so far to the suggestion that it should pull back its forces from the Pakistani and Iranian borders without which a token reduction of forces would not make much difference, since the Soviet troops continue to carry on punitive attacks on border villages.

ASEAN BRIEFED ON INDIAN STAND ON KAMPUCHEA

Madras THE HINDU in English 17 Jan 83 p 5

[Article by V. T. Sambandan]

[Text]

SINGAPORE, Jan. 16

Mr. K. S. Bajpai, External Affairs Secretary, has briefed the ASEAN countries on the reasons for not inviting any representative of the Democratic Kampuchea to the non-aligned summit in Delhi in March.

During his visit to Indonesia and Singapore, which along with Malaysia are the three non-aligned ASEAN members of the movement, Mr. Bajpai elicited their opinion on the preparation of a draft of the final communique.

Though India has recognised the Heng Samrin government, it has not invited any representative from Phnom Penh either because the seat of Kampuchea is vacant. After his talks on Friday with the second Deputy Prime Minister for Foreign Affairs, Mr. S. Rajaratnam and the Foreign Minister, Mr. S. Dhanabalan, Mr. Bajpai said "India has one position as a country and another as prospective chairman of the non-aligned movement. We feel that the constitutional position must be observed and that only the summit can decide who should be invited from Kampuchea".

Singapore did make it clear that non seating of Democratic Kampuchean is illegal.

To another view that no decision was taken in Havana to keep the Kampuchea seat vacant he said "there is a final communique which mentioned that there were three views: that Democratic Kampuchea should be seated,

one that the Heng Samrin government should be seated and one that the seat be kept vacant and that the matter should be examined further by the non-aligned bureau. It is not for India to sit in judgment on the previous Chairman's decision".

Singapore asserted that status quo on Democratic Kampuchea's representation should continue.

Though ASEAN succeeded with great effort to get together Prince Sihanouk, the Khmer Rouge leader Mr. Khieu Samphan and the Khmer Liberation Front leader, Mr. Son Sann, in Singapore in September 1981 and got them to form the coalition Government in June last year, the Prince is as evasive as ever in committing himself to either the Khmer Rouge supported by China or Mr. Son Sann supported by non-communist countries.

In his latest message from Pyongyang the Prince said he would, because of medical reasons leave Democratic Kampuchea government entirely to Mr. Khieu Samphan and Mr. Son Sann and go to Paris in April.

Belgium, Romania and France are among the Western countries that see a solution to the Kampuchea problem not through the perpetuation of the coalition government but through the Prince acting on his own and mending fences with leaders of Vietnam and the Heng Samrin government.

CSO: 4600/1629

INDIA SEEKS TO IMPROVE RELATIONS WITH BOTH KOREAS

Madras THE HINDU in English 22 Jan 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 21.

The Foreign Minister of South Korea, Mr. Bum Suk Lee, is arriving tomorrow on a three-day official visit, at the invitation of the External Affairs Minister, Mr. P. V. Narasimha Rao, to keep up the tempo of the increasing Indo-Korean economic cooperation.

He will be calling on the President, Vice-President, Prime Minister, Speaker of the Lok Sabha and others, besides having wide-ranging talks with Mr. Narasimha Rao on both political and economic issues of mutual interest.

The President of South Korea, Mr. Chun Doo Hwan, has been invited to pay a State visit later this year, reflecting the growing desire of the two countries for closer relations. The talks that Mr. Lee will be having in Delhi during the next three or four days are intended to prepare the ground for Mr. Chun's visit.

At the political level, India has been pursuing a policy of strict non-involvement in the controversies between North and South Korea, while working for closer economic relations with both of them. The Indian stand both at the United Nations and the non-aligned conferences has been to support the principle of peaceful reunification of the two Koreas without any outside interference.

The invitation to the South Korean President has been matched by a similar request to the North Korean Prime Minister, Mr. Li Jong Ok, to visit this country. He was to have visited last year, but the trip was postponed since the two alternative dates suggested by the host country did not suit his convenience.

Increase in two-way trade: But in the economic sphere, India has established in recent years much closer relations, with the two-way trade increasing steeply from a mere \$25 millions (Rs. 24.5 crores) in 1975-76 to nearly \$300 millions in 1980-81. The two countries are now working on a target of \$one billion by

1985-86, barring some unforeseen developments.

As one of the countries that depended almost entirely on American aid for rebuilding its war-ravaged economy, South Korea has emerged within 30 years as one of the donor countries of IDA that provides concessional loans to the developing nations. A common feature of Indian and Korean economies has been their dependence on centralised planning for orderly growth with a well determined set of priorities for balanced development.

The two sides are now engaged in discussions to increase their cooperation in the electronics industry, transfer of technology to India, and collaboration in construction of projects in third countries. South Korea has also evinced interest in importing automobile parts from India.

Opportunities for cooperation: As Foreign Minister, Mr. Lee does not directly deal with economic cooperation. But as a former Ambassador to India, he had laid the foundation of this cooperation during its formative stages.

Though he is not engaging in any detailed talks with the Indian Ministers in charge of economic ministries, the very fact of his visit has helped to generate a renewed awareness of the opportunities open in various fields for closer Indo-Korean cooperation, ranging from increased trade and technical exchanges to collaboration in joint projects in third countries and pooling of their expertise in areas where they could successfully meet global competition.

Unfortunately, India's relations with North Korea remain primarily political with very little economic content. The result is that there are no comparable contacts or the same degree of cooperation in their economic relations.

NEW CENSUS SHOWS 25 PERCENT GROWTH IN POPULATION

New Delhi PATRIOT in English 14 Jan 83 p 7

[Text]

INDIA'S population was up to 685.2 million by the beginning of March, 1981, according to final figures of the 1981 census, reports UNI.

This represents an increase of nearly 25 per cent over the 1971 census, Registrar-General and Census Commissioner P Padmanabha said in Delhi on Thursday.

The Census Commissioner said out of the total population of 685.2 million — the rural population accounted for 525.5 million and the urban figure has been put at 160 million.

Uttar Pradesh with a population of nearly 111 million continues to top the list. Bihar with nearly 70 million comes second and Maharashtra with nearly 63 million is third, most populous State in the country.

A quick glance at the urban-rural distribution pattern indicates that India continues to be pre-dominantly rural although the urban population has increased by nearly 50 million during the last decade.

The 1981 census was conducted in February-March 1981 with the

sunrise of 1 March, 1981 as the reference point of time. The houseless population was enumerated on the night of 28 February and a revisional round was conducted from 1 to 5 March, 1981.

In certain inaccessible areas, however, the enumeration was carried out non-synchronously. These areas include snow-bound regions of Himachal Pradesh, Uttar Pradesh, Sikkim, and parts of Andaman and Nicobar islands where the enumeration was carried out in September-October, 1980.

Due to unfavourable weather conditions the census in Jammu and Kashmir was taken between 20 April and 10 May, 1981 with sunrise of 6 May, 1981 as reference point of time.

The 1981 census could not be conducted in Assam owing to disturbed conditions prevailing in that State at the time of census.

The final population totals, however, includes the projected population of Assam as determined by the expert committee on population projections set up by the Planning Commission.

CSO: 4600/1623

WRITER ANALYZES 'DEGENERATION' OF CPI-ML

Bombay THE TIMES OF INDIA in English 11, 12 Jan 83

[Article by Praful Bidwai]

[11 Jan 83 p 8]

[Text]

ALMOST exactly 15 years after the *People's Daily* published "Spring Thunder Over India" — the first open declaration of the Chinese communist party's support to the Naxalite movement — a small conglomeration of CPI (ML) factions has now produced a document entitled "Towards A New Phase Of The Spring Thunder".

The document is remarkable for much more than the similarity of names. For it is a reiteration of the essential content of the Chinese position of 1967, the most eloquent statement made by that party so far on India's ripeness for a revolutionary upsurge. "New Phase" is replete with the old phraseology of the Maoism of the Cultural Revolution period. It argues, or rather asserts, that "contradictions" such as those between "feudalism and the peasantry" and "imperialism and the people" are developing so fast as to make "armed struggle the main form of struggle" and to put the "people's democratic revolution" on the agenda of Indian history. "New Phase" defends the legacy of Charu Mazumdar and his emphasis on the use of arms and the "annihilation of the class enemy". It restates the early Naxalite belief in the immediacy of the Indian revolution. It is suffused with radical rhetoric and revolutionary fervour.

This is one side of contemporary Naxalism. The other side is cynical and devious *realpolitik*; covert, and now increasingly overt, collaboration with the most rabidly right-wing politicians, classes and castes; behind-the-scene manoeuvres and collusion with the

police and communal or regionalist parties.

This is nowhere more evident than in the role that Naxalite groups played in the election campaign in Andhra Pradesh and Tripura. In several constituencies of the southern state, one Naxalite faction put up candidates apparently at the instance of the Congress (I) only to divide the CPM's vote, say newspaper reports. And a rival faction, opposed to participation in the elections, threatened people with dire consequences in case they voted for the CPM. In Tripura, at least two CPI (ML) groups allied themselves with some extreme right-wing tribal nationalists of the TUJS and even with the avowedly fascist Amra Bangali, to oppose the Left Front.

Collusion With Right

Not long ago, at least nine Naxalite factions advocated an alliance with "U.S. imperialism" and domestic parties backed by it and against "Soviet social imperialism" and its "stooge" Mrs. Gandhi. In Punjab, some Naxalite groups have entered into a compact with pro-Khalistan elements.

The alliance with what they themselves once called "upper caste landlord-oriented" politicians that at least three Naxalite groups of Bihar have entered into since 1975 are well documented. So is the recently revealed gory tale of intrigue, infiltration and barbaric rituals practised by the Azizul Haque-Nishith Bhattacharjee group in West Bengal. In many cases, the targets of Naxalite at-

tacks have not been kulaks or "class enemies" but supporters of the communist parties and rival Naxalite groups.

Clearly, there is no level of "opportunism" and manipulation that many of the 50-odd Naxalite groups in the country would not descend to. Not only is their collusion with the right more frequent, covert and unrelated to programmatic positions than the adjustments made by the CPI and CPM have been. It also tends to be biased in favour of the extreme right fringe of the political spectrum. In fact, the Naxalites have distinguished themselves as the only left-wing current in India that has not only never allied with other left parties but also actually and consistently opposed the latter. The attacks launched by Naxalites on the Soviet Union are indistinguishable from Cold War anti-communism.

The claim that many Naxalite groups make to being revolutionary marxists appears dubious in the light of their political practice. They have crossed the left-wing Rubicon. Not a trace can be found in many of them of their early idealism, the healthy desire for rapid social change. This is not to deny that there are some Naxalite groups that are demarcated from the rest by their left-wing or class orientation, but only to point to the main trend.

What explains this paradox, this dichotomy between revolutionary professions and a right-wing political practice, that is so characteristic of the majority of Naxalite groups?

The paradox is more apparent than real. For Naxalite theory and

practice are not as antithetical to each other as they seem. In some sense, they are two sides of the same coin. The two most prominent features of contemporary Naxalism — opposition to the organised communist parties and willingness to collaborate with the political right — are closely related to each other. In these features also lies the close link between Naxalite theory and practice.

Fragmented Identity

The viciously anti-CPM and CPI thrust of the politics of most Naxalite groups derives directly from their need to affirm, however obsessively, a distinctive radical identity. This identity is fragmented; with the disintegration of Naxalite factions, endless splits and their inability to re-group, it gets even more fractured and atomised. Now it is under the threat of extinction as minor Naxalite groups dissolve themselves, or are repressed.

Often, the affirmation of the revolutionary identity of Naxalism necessarily means singling out the CPM and CPI for an onslaught because, according to their theory, those parties can be nothing but obstacles to the advance of the popular movement in a near-insurrectionary or "objectively" revolutionary situation — the existence of which is a major premise of Naxalism. The anti-CPM and CPI aspect of Naxalism is not new. The point is that it has become increasingly more important over the recent past as the Naxalites' survival has been threatened.

The willingness of most Naxalites to collaborate with the political right does not merely reflect their hatred of the traditional left. It is a compulsion arising from the need to survive, when survival is possible only through awkward adjustments and opportunistic compromises to get an entry into the mainstream of Indian politics based on the political process of de-

mocracy. The adjustment must necessarily be awkward since Naxalite theory rejects the political process itself. Their entry into it can only be a "back-door" one since their theory rules out as illegitimate and a hoax any political process based on representative institutions and consensus. Thus while in theory most Naxalite groups reject the political process outright or see it as something to be "used", in practice they back right-wing parties operating within that process.

The Naxalites' rejection of the political process is closely related to their view that India is a basically pre-capitalist society, dominated by the logic of semi-feudalism and semi-colonialism. Since only "the base" of a developed capitalist society can produce a "superstructure" of the political process of consensus, or what marxists call bourgeois democracy, such a process is fundamentally incompatible with semi-feudalism. It cannot exist in India. What exists is a fraud. It must either be rejected or manipulated — in an equally fraudulent way.

Blind To Realities

The Naxalite characterisation of India as a semi-feudal, semi-colonial society is the crucial operative axiom underlying all their political perspectives. It puts India in the eighties in the same league as the China of the 'thirties and 'forties. It holds that Indian agriculture continues to be subject to the laws of landlord-dominated semi-feudalism and that Indian industry is a perverse outgrowth of the domination of U.S. and Soviet "capital", working through "compradors" — a term originally used to describe the class of traders and agency houses in the southern port cities of China, who had no indigenous industrial base. Whether in culture or in politics, India is desperately pre-capitalist, its stage of social development today is roughly the same as that of China before World War II.

This analysis is hardly worth arguing against. It is the Naxalites' fatal weakness. For it prevents them from understanding the principal dynamic force of India's development — capitalism. It reverses all the programmatic priorities that are vital to a marxist politics. It dictates a rural orientation, often with an emphasis on alliances with rich and middle peasants rather than on landless workers. It forces them to look eastwards. It obfuscates the penetration of money and the cash nexus into all reaches of Indian society and social relationships. It masks the plain truth that a unified modern state, the dominance of capital over the economy and the process of social change, and a political culture associated with all these, are formidable realities in today's India. It disarms its followers in the face of the new social forces unleashed by major developments such as the Green Revolution.

In the light of their analysis, most Naxalites see every change and minor adjustment in the political system as an indication of its imminent collapse. For them, the Indian system has no resilience, it has sunk no roots among the people. Indian capitalism has no force; utter stagnation is the only economic prospect. The fact that independent India's agricultural output has risen at the same rate as Red China's or that it produces 200 times as much steel as China did in the late 'forties, is irrelevant. The existing order has exhausted all its possibilities. It is putrefying. All it needs is a *coup de grace*. That is precisely what will be delivered by the peasantry's armed struggle, the establishment of "liberated" areas, the Long March.

The combined effect of this analysis and the strategies and tactics derived from it is to rob the Naxalites of the possibility of ever making an effective intervention in Indian politics and society; to marginalise them outright.

[12 Jan 83 p 8]

[Text] **I**NCORRECT and sterile as it is, the Naxalites' analysis of India is by no means unimportant to them. They take it seriously. Most Naxalite groups have stuck to it for 15 years and have seen no need to modify it. The contents of their ideological baggage have remained the same in spite of all that has happened in the world and in India in what has been the most eventful period after the war.

The Naxalites' intransigence over their basic analysis of India is surely

unique. It has proved abiding even in the face of their decay and disintegration and their persecution. Unlike the CPI and CPM, which change their strategies and points of emphasis from time to time in an attempt to deal with the changing reality, most Naxalites have refused to make any significant changes in their basic, usually rather meagre, political documents.

Obviously the obsessive nature of their intransigence does not derive merely from the Naxalites' sincerity of purpose, their political commitment or repeated vindication of their "line".

It appears to be deeply rooted in certain socio-cultural factors, for only these can give it the sustenance it needs.

These factors are all to be found in what can be termed, for want of a better phrase, as a reaction to the process of modernisation, a forced attempt to withdraw from it. This is part of the cement that binds Naxalites together into a series of cults of the secret society type. It spans a wide range of syndromes: from refusal to acknowledge that the modernisation process is apace to a

fierce cultural nationalism bordering on xenophobia; a sense of shame at the fact that India is integrated into the world economy, but not as a dominant power; to the fear that what is imagined to be a stagnant old social structure may undergo a change and that this change may not be directed by a political leadership following a Maoist or Stalinist approach.

The Naxalites' insistence that Indian independence was fake, that the Congress of Gandhi and Nehru was a mere stooge of British imperialism, that the Indian capitalist class is nothing but a bunch of compradors, is closely related to their rejection of capitalist modernisation as well as to their xenophobia. There is in it a longing for a utopian, "pure" form of social and political change, of the kind that can never be brought about by those who accept the need for compromises in politics, those who are highly westernised, or those who are corrupt or not guided by the idea of "serving the people" (an old Maoist exhortation, that is still current in Naxalite inner-party discussion).

Rural Orientation

The strong rural orientation of the Naxalites — they have never had a significant urban constituency except students in some cities — and their glorification of the peasants' virtues or of old rural cultural values, are not unrelated to their romantic notion of the village community. The unity of the community was threatened, even destroyed, long ago and it has now disintegrated, differentiating itself irreversibly into distinct classes with disparate, conflicting interests. But most Naxalites insist on seeing the peasantry as a basically homogenous community, based on the unity of "the people" against "lawless landlords". This also corresponds to their thesis of semi-feudalism.

From this to the rejection of the very possibility of indigenous capitalist development is a short step. Predictably, the Naxalites have consistently argued that capitalism has not penetrated the Indian countryside, that it is peripheral, that it has sunk roots perhaps only in Punjab.

In all this, the Naxalites have a close affinity with Narodniks (from narod, meaning people), the Russian

populist-socialists who were a major current in that country at the turn of the century. The Narodniks, many of whom turned very violent guerrillas, were explicit in denying that capitalism could grow in Russia at all. For them the rural community — the repository of the essential goodness of the muzhik, the peasant, the salt of the earth — could be directly transformed, into the basic unit of the socialist society of the future. The Russian marxists attacked these views ruthlessly. In fact, the fast growth of Russian marxism could not have occurred independently of their critique of Narodism. But the Narodniks did build a strong base in parts of the Russian countryside.

By contrast, the Naxalites have never had a stable base almost anywhere in this country. Even when the movement was at its zenith, it could only strike roots among tribals in a few extremely backward, hilly areas of the eastern states and in Andhra Pradesh. This hyperactive phase of Naxalism could not be replicated amongst the peasantry proper, a far more differentiated collection of social classes than were the tribals living on the fringes of society.

The more recent and much more limited successes of the Naxalites, such as those in Bihar or two districts of Tamil Nadu, have again been confined to the economically backward regions of some areas, marked by a breakdown of law and order and of consensus-institutions. In Punjab, western U.P. and coastal Andhra, the Naxalites enjoyed a measure of success but were quickly marginalised primarily because of their failure to take a clear stand on class issues and their reluctance to build independent organisations of the landless labourers who, their theory holds, are only one constituent of the all-peasantry alliance.

Rapid Progress

In general, in all those areas where representative institutions have sunk roots and the politics of consensus has acquired respectability, or in regions which have undergone rapid economic development, the Naxalites have failed. Simply because they have nothing to offer.

Naxalism thus has an inseparable link with primitiveness, social, cultural, economic and political. Like

Narodism — and that existed in a far more backward country then ruled by the Czars — Naxalism is fundamentally unviable insofar as it is rooted in resistance to the modernisation process and fails to grasp the logic of capitalist development.

The modernisation process is irreversible, the force of capitalist development relentless. It cannot be seriously challenged by the peasantry. The peasantry is itself part of the process and large sections of it have a stake in it. Besides, as the marxist tradition has maintained, the peasantry can never be the agency of a revolutionary transformation of society, it is not a class that can change society in its own name and under its own programme and banner.

Why then have the Naxalites survived at all? Why do they continue to have a presence, minor though it may be, in certain parts of the country? Besides the favourable conditions offered by the barbaric backwardness of certain areas, and the opportunist turns some Naxalites have made in order to find some kind of a place in the political process, the main reason for this appears, ironically, to be repression unleashed against them, Police brutality, detention without trial, torture in prisons and wholesale swoop-downs on and killing of Naxalites have in many cases had the opposite of the intended effect. They have not merely driven the Naxalites underground but also won them public support and reinforced their identity, their sense of persecution and their survival instinct. Persecution, or fear of it, is an extremely important bond among those who form a fused, closed minority or marginal group. With each repressive act by the state, the Naxalites get a fresh lease of life.

However, Naxalism certainly does not have a bright future, at least not in its present form. It must either completely revise its theoretical premises and political perspectives and acknowledge the political process as the main arena and channel of the struggle for social change, at least for the present. Or it must accept its fate as a marginal current which has aged and decayed prematurely, is already moribund, and has no prospects for growth but only a nuisance value for the left.

PUNJAB SITUATION STIMULATES CONGRESS-I FACTIONALISM

Madras THE HINDU in English 16 Jan 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Jan. 15.

The Centre has invited the Akali leaders to Delhi for the next round of talks on Tuesday, January 18, to carry forward the dialogue on the Punjab tangle.

The Union Home Minister, Mr. P. C. Sethi, who extended the invitation said in his communication that, in case the Akali leaders are unable to come to Delhi, for whatever reason, the Central team of Ministers negotiating with them would be prepared to go to Chandigarh for these discussions.

Meanwhile a rather piquant situation has arisen in Punjab with the ministerial group headed by the Chief Minister, Mr. Darbara Singh, and the organisational wing of the ruling party owing allegiance to the PCC (I) President, Mr. Hansraj Sharma, competing with each other in supporting the religious, territorial and riparian demands of the Akalis, while opposing the Anandpur Sahib resolution seeking greater autonomy for the States.

The rivalry between the two Congress (I) groups came into the open yesterday, when Mr. Sethi called a meeting of the Punjab PCC (I) President and other office-bearers to ascertain their views on the Akali demands before taking a final decision on them.

When he came to know that Mr. Sharma and his associates would be meeting the Home Minister on Friday afternoon, Mr. Darbara Singh sent out urgent messages to the Congress (I) MPs and MLAs to assemble in Delhi for an earlier meeting with Mr. Sethi, if possible. But in an effort to avoid embarrassment to either side, Mr. Sethi decided to meet the two groups jointly without indicating whether the Chief Minister or PCC (I) President was leading the combined deputation.

In the resultant confusion, the ministerialists kept on insisting that Mr. Darbara Singh had led it, while the organisational wing made the contrary claim that it was Mr. Sharma who was their principal spokesman. But otherwise there was no conflict of opinion between the two groups in the sense that both of them supported the religious demands of the Akalis, demanded that Chandigarh should be transfe-

rrred forthwith to Punjab, insisted that the two disputed tehsils of Fazilka and Abohar should be treated as integral parts of the State along with other Punjabi-speaking areas and that more river waters should be made available by increasing Punjab's share.

At the same time the ministerial and organisational wings of the Congress (I) in Haryana dominated by Mr. Bhajan Lal have stepped up their campaign strongly opposing the move of their party colleagues in Punjab supporting the territorial demands of the Akalis in contravention of Mrs. Gandhi's award on the Chandigarh issue. The Haryana opposition to the Punjab Congress (I)'s stand on Chandigarh, Fazilka and Abohar and the river waters issue is backed by threats of a counter agitation in the event of an adverse decision by the Centre.

The factional politics of the Congress (I) in Punjab, threatening to assume the ugly overtones of an inter-State squabble with neighbouring Haryana inside and outside the party organisation, is adding to the Centre's worries that it could further aggravate the Akali issue in this sensitive border region. There is every danger of this in-fighting acquiring a wider dimension in the prevailing atmosphere of growing dissidence within the Congress (I) that is threatening to erupt into open defiance.

The Cabinet committee dealing with Punjab met today to consider these new developments before the next round of talks with the Akali leaders for arriving at an early settlement.

Offer accepted

In Amritsar, the Akali Dal high command today accepted the invitation to hold talks with the Centre's sub-committee on January 18. However, it insisted that Chandigarh, instead of New Delhi be the venue of the talks (reports PTI).

In New Delhi, the Prime Minister, turned down the demand of Mr. Hansraj Sharma that the Congress (I) in Punjab should also be associated with the Centre's talks with the Akali Dal.

G. K. REDDY DISCUSSES 'LESSONS' OF STATE POLLS

Madras THE HINDU in English 14 Jan 83 p 9

[Text]

NEW DELHI, Jan. 13.

The Prime Minister, Mrs. Indira Gandhi, who has been ruminating for the past week on what had gone wrong in Andhra and Karnataka, continues to receive conflicting advice on what should be done to retrieve the situation.

One set of advisers wants her to utilise this opportunity to administer some sort of a shock treatment to make her indolent party colleagues behave and prove worthy of her confidence, while another group has been cautioning against any such drastic action with the plea that the ill-winds will blow over soon.

In keeping her counsel to herself for the present, Mrs. Gandhi has, however, made known to them that she would like to do something to reassert her authority and make her supremacy felt, even if it is going to hurt those who have not come up to her expectations. But she appears to be still in two minds whether to act now or wait for a more opportune moment.

The suggestions: As part of an agonising reappraisal of the various options still open to her, a series of suggestions have been made ranging from a drastic Cabinet reshuffle at the Centre and replacement of Chief Ministers in several States, a revival of the old Kamaraj plan and reorganisation of the party down the line, to a switch-over to the Presidential system and a snap parliamentary election, a crackdown on black money and austerity at all levels to usher in a new era of greater probity in both public and private lives.

But these ideas are not yet meshing into a grand programme of action for regaining the lost initiative or restoring the faith of the people. All the talk of cleaning up the cobwebs is not putting the fear of God into those who

have brought the Congress (I) a bad name, but only adding to the prevailing confusion.

No remorse: A sad feature of this mortifying scenario is that there is no evidence of remorse among the rank and file of the party, except in those who have suffered the humiliation of defeat in the Andhra and Karnataka elections. If anything, there is a lurking feeling that those who have been aggrieved for one reason or the other are now deriving some vicarious satisfaction from the party's discomfiture.

The dilemma of Mrs. Gandhi is that this is not the kind of external crisis that can be dealt with sternly with the full support of the people, nor a minor reversal that can be ignored by putting on a brave face and exuding renewed confidence. It is a bit of both that can develop into a deeper malaise if it is not dealt with properly in good time.

It is not only the Indian critics of Mrs. Gandhi who are taking an unduly gloomy view of the Congress (I)'s predicament, but even seasoned diplomatic observers are jumping to the conclusion that her difficulties on the home front are going to cramp her style in the conduct of the country's foreign relations.

The main lesson of the Andhra and Karnataka experience has been that Mrs. Gandhi can no longer take either the party or the people for granted, since the pressure groups within the Congress (I) are going to become more and more articulate while the electorate itself becomes increasingly assertive. And it will not be easy to regain the lost ground with some symbolic steps like a Cabinet reshuffle or replacement of a few incompetent or corrupt Chief Ministers without going the whole hog in restoring inner-party democracy and placing the primary emphasis on a clean and austere Government.

DELHI SAID TO CONSIDER AUSTERITY MEASURES

Madras THE HINDU in English 9 Jan 83 p 11

[Article by G. K. Reddy]

[Text]

AN Indian delegation will be leaving for Beijing on January 28 for the third round of official level talks on the border problem. Though the two countries continue to make some symbolic improvements in other bilateral spheres, they have not yet been able to come to grips with the guts of the border dispute because of the persisting differences over the very concept of a negotiated settlement based on a balance of reciprocal concessions. The ongoing dialogue is, however, being kept open despite the absence of any progress if only to inch forward towards a mutually acceptable basis for substantive discussions.

Meanwhile, the only sign of hope that the two sides are shedding their earlier inhibitions is that the Chinese Premier, Mr. Zhao Ziyang, and the new Foreign Minister, Mr. Wu Xueqian, will be overflying India on January 16 on their way back home from the month-long trip to 10 African States. Twelve days later, the Indian delegation will be travelling this time by the Air France flight from Karachi, which flies over the disputed areas of the Karakoram region, instead of taking Swissair from Bombay or Lufthansa from Delhi that take the southern route.

But otherwise there have been no advance soundings from either side about the scope of the next round, whether the two countries are ready to carry the dialogue to the next stage without confining the discussions to a mere restatement of their known approaches to the border dispute. In trying to size up each other's negotiating stances, and in the process probe their fall-back positions, to assess how far they are prepared to go to arrive at a settlement, the Indian and Chinese negotiators have not yet advanced any farther than spelling out their respective attitudes in terms of first principles.

Hua's five points

A hopeful sign, however, is that in reasserting their claims the two countries are not blindly harping on the past and refusing to countenance any reasonable concessions. The Chinese package offer implies a readiness to

abandon the unsustainable territorial claims in the eastern sector by recognising the McMahon line in return for an Indian disavowal of its sovereignty over Aksai Chin. If the Chinese offer in its present form is unacceptable, it is because of the deliberate ambiguities in the presentation that are open to different interpretations. These aspects will have to be clarified to India's satisfaction before the two countries could proceed to discuss the main elements of a comprehensive settlement.

The Chinese kept on repeating Zhou Enlai's six points which were put across for the first time during his visit to Delhi in 1960, even after the 1962 conflict when an additional 5,000 sq. km. of territory was occupied in Ladakh, over and above the 22,000 sq. km. area already taken over in Aksai Chin across the Karakoram. An attempt has been made during the last two rounds of talks after the Huang Hua visit to spell out a new set of five points which mesh into Zhou Enlai's six points to extend the Chinese claim to 27,000 sq. km. (14,500 sq. miles) in this region.

The package offer provides for *quid pro quo* based on an Indian transfer of these 27,000 sq. km. territory in the western sector in return for the Chinese renunciation of the claim to 90,000 sq. km. south of the McMahon line. The Indian view is that if the two sides cannot shut their eyes to the existing realities they cannot also gloss over the fact that the initial and subsequent claims of China in the western sector were merged together through military action. A distinction has to be kept up between the two claims in terms of Zhou Enlai's and Mr. Deng Xiaoping's package offers for a compromise settlement.

Zhou's six points

The six points made by Zhou in 1960 were: (A) A boundary dispute existed between India and China; (B) a line of actual control had come into existence which meant that the two countries were exercising administrative control on their respective sides; (C) in settling the

boundary dispute, certain geographical principles like watershed, river valleys and mountain passes should be taken into account; (D) the settlement should take into account the national feelings of the two peoples; (E) pending such a settlement the two sides should adhere to the existing line of control and refrain from advancing further territorial claims; and (F) to ensure tranquillity along the disputed border both sides should refrain from patrolling it.

The latest five points put across by the leader of the Chinese delegation, Mr. Fu Hao, at the last round of talks in Delhi laid stress on (a) equality, (b) friendly consultations, (c) mutual understanding and mutual accommodation, (d) a fair and reasonable settlement and (e) comprehensive solution.

These five elements were taken from the classic sentence that had been repeatedly used by China in its exchanges with India on the subject, which reads as follows: "We believe that India and China, treating each other as equals, can through friendly consultations, and in a spirit of mutual understanding and mutual accommodation, reach a fair and reasonable comprehensive solution of the border problem."

The 1960 Zhou package calling for a settlement on the basis of the Chinese recognition of the McMahon line and a reciprocal Indian renunciation of the rights on Aksai Chin, maintained that a line of actual control had already come into existence in Ladakh with both sides exercising administrative control up to it. But two years later China occupied another 5,000 sq. km. on the Indian side of the Karakoram watershed through military action in clear violation of his earlier plea that both sides should adhere to the existing line of control pending a final settlement. The Deng package seeks a settlement on the basis of the post-1962 situation conveniently ignoring Zhou's earlier commitment.

Starting point

It is against this background that India has been suggesting that the *status quo ante* as on September 8, 1962, when China made its first military moves, should be restored as a starting point for any meaningful negotiations. It has not been insisting on a unilateral Chinese withdrawal from the 5,000 sq. km. of territory occupied in 1962, but only pleading for an acceptance of the modified Colombo proposals which called for a demilitarisation of the area without even civilian posts on either side, without involving even a temporary restoration of this territory occupied during the second phase.

The earlier Chinese contention, which Zhou himself espoused at one stage, was that if the Indian claim to territory south of the McMahon line in the eastern sector was based on the watershed principle, then the same criterion should be applied in the western sector as well by extending the Himalayan watershed to the crest of the contiguous Karakoram, instead of the Kuenlun range on the other side. But the 1962 military action brought the Chinese down to Galwan, Chip Chap, Shyok and Chang Chengmo river valleys deep down the Indian side of the Karakoram. It is one thing to rely on the notings or writings of Macartney, McDonald,

McMahon, Ardagh, Caroe, Twynam, Rumbold and more recently of Lamb, Maxwell, Patterson and Dorothy Woodman to uphold the Chinese view that India has no valid claim to Aksai Chin, but another thing to justify the Chinese occupation of Indian territory on the eastern side of the Karakoram.

The references to "Aitchison's treaties, engagements and sanads" which are alleged to have been tampered with by Sir Olaf Caroe in 1938 to imply that Tibet had accepted the McMahon line in the eastern sector tend to confuse the watershed principle and uphold the Chinese contention that the old border ran along the foothills of Assam rather than the Himalayan crest. But this is no longer an issue since China is prepared to accept the McMahon line as part of a comprehensive settlement. One need not go back to ancient history to uphold the current Chinese claim to the territory on the eastern side of the Karakoram, since Zhou himself had accepted as recently as 1960 that the same watershed principle should be applied in this sector as well.

Essential first step

So it is not at all unreasonable on India's part to suggest that, in the absence of any better alternatives, there is no harm in starting from where Zhou had left even if China is not prepared to agree to the Colombo proposals as a reasonable basis for further negotiations. There is no harm either in discussing the position in the eastern, central and western sectors separately but simultaneously to be able to arrive at a comprehensive solution. The essential first step is to get over the procedural hurdles and open the way for substantive discussions without prejudice to the claims of the two sides.

The strong Chinese reaction to the recent Arunachal dance episode need not be taken seriously as an insidious attempt to reopen claims to territories south of the McMahon line. The Chinese are not given to saying anything in moderate terms when it comes to restating their position on any issue. But it can be determined only on the basis of their subsequent behaviour whether what had been stated so stridently was only for purposes of record or reopening a closed issue. In this particular China has certainly displayed considerable moderation after having made its point.

The copies of *The People's Daily* received from Beijing make it quite clear that in making an issue of the Arunachal dance the Chinese were not trying to interrupt the dialogue on the border question. The report appeared in a less prominent manner on a page carrying an article by Wang Bingnan on Dr. Kotnis and another on the relative economic progress made by India and China. It was evidently only for purposes of record, though worded strongly in the typical Chinese style, not for raking up what is a closed issue for all practical purposes.

It would not be a bad idea for the Prime Minister, Mrs. Indira Gandhi, to invite the Chinese Premier, Mr. Zhao Ziyang, to stop over in Delhi for a few hours on January 16 when he overflies India to have a frank talk on the procedural aspects of the border talks before the two countries can get down to substantive discussions. Such a transit halt cannot be treated as an official trip involving any obligation on her part to pay a return visit.

CPI LEADER GUPTA SPEAKS AT PATNA YOUTH RALLY

New Delhi PATRIOT in English 14 Jan 83 p 4

[Text]

PATNA, Jan. 13.

CPI leader Indrajeet Gupta, MP, today called upon students and youth to observe 1983 as the year of struggle and take a vow to bring about new changes in society and maintain peace even by sacrificing their lives.

Addressing a huge rally of students and youth on the eve of the seventh four-day national conference of All-India Youth Federation here today Mr Gupta said they should wage a relentless war against disruptive forces and the evil designs of the imperialists.

The CPI leader said that agitation launched by the Akali Dal in Punjab was causing split among the people. A section of the people there was trying to divide the country by demanding "Khalistan" and Pakistan radio and media were giving wide publicity to this demand.

He denounced the supply of arms to the military dictatorship of Pakistan by US imperialism and the setting up of the US base in Diego Garcia. He also exhorted the youth to raise their voice against atrocities, injustice, poverty, corruptions and unemployment.

He said that recent defeat of the Congress-I in Andhra and Karnataka proved that the people were fed up with the "misrule" of the Congress-I.

He also urged the students and youth to unite all democratic forces, and take peasants and the working class with them in the struggle for a new society.

Young Communist League central committee secretary Dmitry Okhromiy in his speech said that we would maintain peace and establish world brotherhood. He said that USSR supported PLO in its war against Israel for a just cause.

Mr Kaifi Azmi also spoke on the occasion.

Earlier, a massive rally was taken out by the students and youth with flags, festoons and banners. Processionists were showered flower petals from welcome arches erected all through the route. A jeep was also moving with the processionists with a list of 21 students-youth martyrs.

Over 700 delegates from outside Bihar had already arrived here to participate in the conference. Delegates from foreign countries including Nepal, GDR, Czechoslovakia, France, Cuba, DPR Korea, Poland, Hungary, Mongolia are expected to reach tomorrow, when the delegates' session starts.

Among the foreign youth delegates prominent leaders are: Mr Okhromiy and Mr Leonid Tsvarkv (both from USSR), Mr Vinod Dixit and Mr Krishna Karki (Nepal), Gunter Rettnet and Jorg Rommel (GDR), Mr Ivan Lipovsky and Pavel Pojusta (Czechoslovakia), Mr Patrick Covlon (France), Mr Gustavo Guevara Medica and Mrs Lydia Baeza Barreto (Cuba), Mr Sok Songil and Mr Ci Gun Pung (DPR Korea), Mr Michal Kowicz and Mr Grzegorz Grabski (Poland) and three Hungarians and one Mongolian.

CHANDIGARH BIFURCATION PROPOSAL DESCRIBED

Madras THE HINDU in English 17 Jan 83 p 1

[Excerpt]

NEW DELHI, Jan. 16.

A proposal, envisaging division of Chandigarh between Punjab and Haryana, has been revived as part of a new package intended to resolve the crisis caused by the Akali Dal's demands.

The idea was mooted several times in the last 15 years but was given up. It is commended again now that other suggestions have not clicked. The reaction of the parties concerned is not yet known, however.

According to this proposal, the coveted city, now a Union Territory, could be split in the ratio of 60 and 40 (with the bigger portion going to Punjab), along "Madhya Marg", one of its main arteries.

The advocates of the idea concede that the city was planned by Le Corbusier, the famed French town planner, as an integral whole but say that the advantages of a political settlement based on division should outweigh the satisfaction of preserving an architectural concept.

After Chandigarh was made a Union Territory under the 1971 award by Mrs. Gandhi, satellite towns were built by Punjab and Haryana in their respective areas in its vicinity — Mohali and SAS Nagar by Punjab and Panchkula by Haryana.

With the addition of their portions of the Union Territory, the two satellite towns

could develop as full-fledged cities and, as a result, each of the two States could have the consolation of possessing a Chandigarh of its own.

The division of Chandigarh, if accepted by the Akalis and others in Punjab on the one hand and Haryana on the other, would, it is felt, facilitate give-and-take in regard to the Fazilka-Abohar areas under the 1971 award. This Punjab area is to be included in Haryana but the Akalis are opposed to the transfer.

Division of villages: Here again, a way out could be found, it is stated by dividing the 105 villages between the two States — 60 of them which are Punjabi-speaking (and are easily identifiable as such) remaining in Punjab and the remaining 45 to be included in Haryana.

Then there is an alternative proposal, visualising the transfer of some Punjab villages contiguous to Ambala district to Haryana without disturbing the Fazilka-Abohar area.

The differences between the Centre and the Akalis have, of late, narrowed down to the territorial demands of the latter. Last week's meeting between Central Ministers and the Akali leaders at Chandigarh was mainly devoted to a re-statement of the respective viewpoints.

CSO: 4600/1629

PATIL OPENS INDO-EEC BUSINESSMEN'S CONFERENCE

Bombay THE TIMES OF INDIA in English 17 Jan 83 p 1

[Text] New Delhi, January 16 (PTI).

India looks upon investment as a vehicle for transfer of technology rather than an end in itself, the commerce minister, Mr. Shivraj V. Patil, told an Indo-EEC conference of businessmen here today.

Inaugurating the seminar, he said India had reached a stage of economic development where it could take off with the requisite injection of technology and investments.

Both the commission of the European communities and the government of India felt that the time was ripe for stepping up bilateral economic co-operation, particularly in the field of industrial collaboration, Mr. Patil said.

About 150 businessmen from the EEC and 300 from the Indian side are attending the conference on "industrial technology and investment."

Mr. Patil also emphasised that European firms could benefit by associating with Indian firms in setting up joint ventures. India could supply skilled personnel, software and even some hardware at a lower cost.

In fact, he said, such co-operation need not be restricted to developing countries. Joint ventures could come up in developed countries as well in those areas where European firms could derive sufficient cost advantages through the association.

The commerce minister pointed out that with India's steady economic progress with a solid foundation of technical training and industrial and financial infrastructure, a new generation of dynamic industrial entrepreneurs had grown in the country.

High Response

Inviting EEC investments, Mr. Patil said India had a high rate of domestic savings and a rapidly developing investment culture despite its low per capita income.

There had been tremendous response to the series of seminars organised by the EEC in European investors with India's policies and investment climate. More than 50 per cent of the foreign collaborations approved by the government of India in the last few years had been with EEC firms.

Mr. Patil said that in the field of joint ventures in other countries, including some developed countries, India had established engineering products, iron and steel, textiles, paper and pulp, cement, chemicals and pharmaceuticals and a number of other industries. This had been possible because of India's ability to absorb and adopt the technologies imported from developed countries.

He said Indian experience had shown its technology and know-how to be ideally suited to the requirements of Asian and African countries, though at times India supplemented its technology and know-how with the latest innovations from developed countries.

In his keynote address, Mr. M. Narasimham, secretary, economic affairs, in the Union finance ministry, explained the government's foreign investment policy and said the foreign investor was given non-discriminatory treatment. The policy of foreign investment and industrial collaboration was woven into the overall policy of building up a self-reliant economy and better utilisation of India's human and material resources, he said.

He said the three "trump cards" of India were a vast market, low inflation and steady growth. Independent studies have shown that the return on investments was higher than in many other countries and the question before the EEC now was "not whether you can afford to take the Indian risk, but whether you can afford not to," he emphasised.

Mr. Jagdish Chand, chairman of the central board of direct taxes, said Indian tax system was geared to promote industrial growth and the government was prepared to consider suggestions for furtherance of the objective.

Mr. S. S. Nadkarni, managing director of the Industrial Credit and Investment Corporation of India, cited the expansion of the annual long-term lending by financial institutions from Rs. 3 billion in 1970-71 to Rs. 29 billion in 1981-82, and the phenomenal growth of the security market, as evidence of the good scope for foreign investments in India.

CSO: 4600/1626

ECONOMIST REVIEWS INDIAN NATIONAL INCOME 1950-80

Bombay THE TIMES OF INDIA in English 17 Jan 83 p 22

[Text] New Delhi, January 16 (PTI).

Will India be any better in 2001 AD, moving away from poverty, asks the veteran economist, Prof. V. K. R. V. Rao, whose study on India's national income from 1950-1980 draws some dismal conclusions.

But, Prof. Rao notes, India could certainly present a "far more satisfactory picture than today's," if only the country and those who can lead or influence it in various spheres of activity learn from the past and mould their action in the future.

What has been accomplished in the last 30 years is "far below the potential" and there is a great deal that can still be achieved in various sectors of the economy.

Problem Areas

The major problem areas in Indian economy are productivity and economic management. "It is not simply an increase in output that affects national development. It is also the cost that accompanies the growth in output and the extent to which the potential created is converted into output."

Prof. Rao calls for the reorientation of policies relating to an increase in production, composition of the product mix, conspicuous consumption, mobilisation of savings, pattern of investment, production technology, and increase in productivity.

Prof. Rao's study on India's national income, 1950-1980, just published, analyses the data base and growth of real and nominal national domestic product, and brings out the changing structure of the economy.

Per capita income in real terms has gone up during these 30 years by only 52 per cent as against the rise in nominal terms of 369 per cent.

According to Prof. Rao, it was the working classes, both rural and urban, who suffered most from the price effect on their cost of living.

The study shows that the rate of growth of the secondary and tertiary sectors has been more than double that of the primary sector, with the secondary sector having an edge over the tertiary sector.

Prof. Rao notes that the share of agriculture in NDP and its share in the total number of workers had declined from 69.78 per cent in 1971 to 66.69 per cent in 1981. If this trend continues, India may reach a more balanced occupational structure between agriculture and non-agriculture by the end of the century.

The study says that the public sector had doubled its share of the NDP at constant prices during the 30-year period and accounts for one-fifth of the economy.

The private sector still continued to dominate the economy claiming nearly 80 per cent of the NDP at the end of the period and this is not wholly due to the role of agriculture.

Despite the trend towards modernisation, market orientation and the increasing role of the secondary and tertiary sectors, the economy is still dominated by primary sector and unorganised enterprises.

Prof. Rao says there is great scope for increasing financial savings of households if life insurance could be extended to the vast number of income earners who are still not covered by it.

Plan Estimates

A former member of the planning commission, Prof. Rao does not share the optimism in the sixth plan resources estimate. The commission's projections of revenue surplus by the Centre and states could not be realised in the first three years of the plan which have proved to be deficit budget years.

He emphasises that education and health at the most important components of human capital creation in terms of skills and physical efficiency. Steps are required to improve health and nutrition and reduce birth rates and for expanding and improving information and communication systems.

India's progress, Prof. Rao says, has been hampered by various factors including "politicisation of economic decisions, as well as an increasing emphasis on regional, communal, lingual and casteist loyalties."

CSO: 4600/1626

INDIA

TALKS WITH USSR ON ALUMINA PROJECT UNDERWAY

New Delhi PATRIOT in English 22 Jan 83 p 7

[Text] Calcutta, Jan 21 (PTI)--Modalities on implementing the alumina project based on the East Coast bauxite deposit in Andhra Pradesh are currently under discussions with the USSR, Secretary, Union Ministry of Steel and Mines R Ganapathi said here today.

Delivering the 26th Holland memorial lecture organised by the Mining, Geological and Metallurgical Institute of India, Mr Ganapathi said the feasibility report for the establishment of the alumina project of 6,00,000 to 8,00,000 tonnes per annum capacity was prepared by the Soviet Union.

The Andhra project, he said, could form the nucleus for a full-fledged aluminium industry in the second phase for which feasibility studies would be undertaken as soon as a satisfactory solution to the question of implementing the project was reached.

Mr Ganapathi said a feasibility study had also been completed for a 3,0,000 tonnes per annum alumina plant, based on the bauxite deposits in Kutch in Gujarat state. If these projects materialised in response to external demands for alumina, India would become a major producer and exporter of alumina to the tune of over one million tonnes per annum with the potential for the capacity to rapidly increase to much higher magnitudes.

He said planners and decision makers would, therefore, have a choice to be either entirely self-sufficient in the production of metal or to meet a substantial part of the domestic requirement through indigenous production and for the rest rely upon import of metal against alumina to be exported.

CSO: 4600/1634

SOVIET TECHNOLOGY, TECHNICIANS BENEFIT INDIA

New Delhi PATRIOT in English 10 Jan 83 p 2

[Text] **I**NDIA will soon greatly benefit by some new technical innovations made by the USSR in such spheres as production of 15.5 million ton rotor complexes for open-cut development of coal deposits and trucks with 65 and 120 ton lifting capacity to be used for open-cut mines.

The Soviet Union will also soon complete production of experimental complexes for thin layers (0.7 metre) with an inclination angle of up to 35 degrees which would be of immense benefit to underground coal mining.

The experts are of the view that these new equipment would not only benefit Indian specialists but also those technicians of the Leningrad Giproskhkh Institute who are preparing designs for Talcher and Nigahi coal mines in India.

The new machineries can also help such projects as the Banki mine and Manikpur quarry achieve their annual rated capacity much before than what was envisaged earlier. The open pits of Nigahi and Mukunda mines would also be able to fulfil the target of producing 26 million tonnes of coal annually with the help of new equipment.

The Soviet specialists also claim that the technical re-equipment of oil and gas fields which has been currently going

on in the USSR would also prove to be a boon for Indo-Soviet joint projects in India.

For instance, the Soviet oil machinery industry has undertaken the production of sets of rigs for multiple drilling, equipment for the mechanised operation and maintenance of wells and automatic and unitised equipment for the development of oil and gas fields. Thus, the labour expenditure on wells will drop by 15-18 per cent on the average.

The retooling of the gas industry is based primarily on

introducing in the fields of highly efficient automated nuclear installations for the preparations of gas. The USSR has started the serial production of a new generation of 16,000 and 25,000 kw gas pumping units, the design of which incorporates the latest achievements of science and technology.

It is these units that will provide the basis for developing 40,000 kilowatt machines in the near future which will greatly raise the efficiency and reliability of the single gas supply system of the USSR. The system already covers 190 deposits processing plants, underground storages and an integrated network of cross-country pipelines totalling 140,000 kilometres in length.

—IPA

REPORT ON PROCEEDINGS OF TIRUPATI SCIENCE CONGRESS

Bombay THE TIMES OF INDIA in English 10 Jan 83 p 9

[Article by L. K. Sharma]

[Text] New Delhi, January 9.

The days of beer-can physics are gone as science today requires expensive sophisticated research equipment, but Indian scientists are handicapped because of inadequate support facilities in many areas.

The issue came up at various forums during the science congress session in Tirupati and even the young scientists felt compelled to take it up with the secretary, department of science and technology.

The lack of proper support facilities at all levels of education and research has hit experimental work, though it has not caused an uproar only because "we easily got accustomed to shortages," says a senior researcher. Thus, the universities, in particular, have learnt to do without many tools of research.

Prof. B. Ramachandra Rao, president of the science congress, said: "Most of our laboratories in the universities do not have modern equipment for accomplishing any worthwhile scientific research."

Prof. Rao, who was for six years vice-chairman of the University Grants Commission, says that whatever instruments are available in some of the laboratories do often become white elephants and are abandoned for lack of spare parts or competent persons to maintain and service them.

Several heads of laboratories talked about financial constraints and the absence of a system of depreciation and regular replacement of equipment as it operates in a private company. Dr. Rao also points out the hurdles created by the bureaucracy which not only imposes import restrictions but makes the task of the scientists more painful by delaying sanctions. Sometimes, researcher has to wait anything from six months to three years for equipment or chemicals to arrive after he obtains the clearance from the government.

This correspondent has come across some cases in which a senior researcher returning from abroad could not make use of the offer by his university to gift the equipment to his new institution in India.

Victim of Neglect

The universities have been a victim of neglect but what about some of the elite centres of learning and research? "After a few years, the prestigious IITs of today will join the ranks of the once-famous Shibpur Engineering college and Allahabad University," laments a researcher.

When the IITs were started with foreign assistance, they were as contemporary as any similar institution in the world. But in the past two decades, they have become saddled with obsolete equipment. Since no further help is expected from the one-time donors and the present level of funding for replacement of equipment is inadequate, these institutes are unlikely to catch up with the best in the world again.

Some of the prestigious institutions of the past faded off mainly because there was no systematic replacement of old equipment for sustaining new programmes. This is what has been happening to the different IITs set up more than 20 years ago with fanfare. Each one of them has equipment worth more than Rs. 25 crores but the annual equipment grant is so paltry that some of the equipment is cannibalized to get the spares for running more vital instrumentation.

Ironically, despite India's scientific and technological progress, the gap between the status of the equipment here and that available to researchers abroad has been growing.

While there is a new emphasis on the frontier area of biotechnology, arrangements are yet to be made to ensure the availability of materials for biological research such as cell lines, cultures, biochemicals and radioactive chemicals. For instance, in gene-splitting experiments, certain restriction enzymes are used. These standardised enzymes are available off the shelf to the scientists abroad.

The biotechnological research is also hamstrung by the non-availability of animal-house facilities, even though it costs much less to maintain these in India.

The department of science and technology in a report on chemical science says that the chemists in the country have not been able to keep pace with the developments in modern analytical chemistry where instrumentation involving microprocessor is the order of the day. In fact, this is a general problem in all areas of chemistry.

There are very few centres where sophisticated instruments are designed and fabricated by research workers.

CSO: 4600/1616

IOC CHAIRMAN: OIL REFINING CAPACITY TO DOUBLE

Bombay THE TIMES OF INDIA in English 10 Jan 83 p 23

[Text] New Delhi, January 9 (UNI).

The oil refining capacity in the country is to be increased to over 60 million tonnes to meet the demand of petroleum products by the end of the current decade.

The current refining capacity of 36 million tonnes per year is proposed to be increased to 60.42 million tonnes by 1988-89, according to Mr. A. J. A. Tauro, chairman of the Indian Oil Corporation (IOC). The plan envisages the achievement of 45.5 million tonnes of refining capacity by the end of the current sixth plan and the balance during the seventh plan period.

The additional refining capacity over the present level would be achieved by the expansion of some existing refineries by 12.52 million tonnes and setting up of two new refineries at Karnal and Mangalore with a capacity of six million tonnes each.

In an informal talk with newsmen, Mr. Tauro said the present 20.25 million tonnes of IOC's operating refineries was proposed to be expanded by over 4.5 million tonnes.

He said the expansion schemes of other oil company refineries including Visakhapatnam, Madras, Cochin and Bharat refinery in Bombay would bring about an additional refining capacity of eight million tonnes per year.

The capacity of the Haldia refinery is to be expanded by three million tonnes during the seventh plan period. This is now under the active consideration of the government. Work on preparing the feasibility report for the expansion has already started, the managing director of refineries and pipelines division of OIC, Mr. T. K. Sinha, told a party of visiting newsmen.

Haldia, considered as a lube-based refinery, will have necessary flexibility for using different types of imported crudes and any available indigenous crude including Bombay High after expansion. The IOC is now studying the economics of expansion, both in the fuel and lube sections.

Pending the major expansion of the refinery by another three million tonnes per year, the refinery is now engaged in debottlenecking the crude distillation unit. This would raise its designed processing to 2.75 million tonnes, an increase of ten per cent from the present level, according to Mr. N. L. Majumdar, general manager of the refinery. Besides producing various fuels, this refinery, built largely through indigenous expertise and equipment, also produces various grades of lube-base stocks.

Mr. Majumdar said the refinery had developed a high-viscosity lubricating oil, known as the "cylinder oil," for the first time in the country. The refinery recently delivered 5,000 tonnes of cylinder oil to the Indian Railways by utilising the existing capacity. Full-scale production of cylinder oil at 15,000 tonnes per year would save about Rs. 8 crores in foreign exchange for the country by eliminating the current import of cylinder oil.

It had also developed another new product called microcrystalline wax, mainly used in food-packs, cosmetics and pharmaceutical industry. The refinery had already taken up a project to produce 1,500 tonnes of microcrystalline wax at an estimated cost of Rs. 1 crore.

Another Product

In its bid to attain self-sufficiency, the refinery was making efforts to develop and manufacture a variety of petroleum products for which the country depended on imports. This was the only refinery in the country producing "bright stock", a premium-grade lube base, that at present saved about Rs. 20 crores per year in foreign exchange.

Mr. Majumdar said the production of bitumen in the refinery was also being increased to 200,000 tonnes per year shortly. The refinery had already achieved a production rate of about 150,000 tonnes per year.

The mandatory crude storage capacity of the refinery was also being increased from the present 15 days to 30 days' requirements by the middle of 1984. Ultimately additional tanks would provide for the storage of 45 days' crude requirements. The additional storage capacity would ensure the much needed flexibility in the event of possible disruption in supplies of imported crude.

One major effort of the refinery now was to reduce its comparatively high fuel losses. The losses had been reduced to 9.21 per cent by various efforts in the past two years.

Mr. Majumdar said the refinery was expected to make a profit of about Rs. 12 crores in the current financial year, against Rs. 9.56 crores earned in the previous year.

Although the refinery was designed to process Iranian crude (Aghajari), it is currently processing Basrah crude from Iraq and many other crudes as available from various sources. The refinery processed about 12 different types of crudes during the last two years. It was now making 20 petroleum products including lubes and bitumen.

CSO: 4600/1616

STATISTICS ON ENGINEERING GOODS EXPORT TOLD

New Delhi PATRIOT in English 10 Jan 83 p 7

[Text] CALCUTTA, Jan 9 (PTI) Export of Indian engineering goods during April-November of the current financial year is estimated at Rs 583 crores by the Engineering Export Promotion Council.

A spokesman of the council told PTI that this included the Rs 70 crores worth of goods exported in November. The figures for December were being computed, he said.

Major exports were from the group of capital goods primarily steel and pig iron based items, non-ferrous products and consumer durables. While capital goods and consumer durable groups showed a substantial increase those of primary steel and pig iron-based productions and non-ferrous product marked a decline.

During April-October period fresh orders for Rs 355.69 crores were booked by the exporters. The cumulative export order position as on 1 November 1982 stood at Rs 1,235.69 crores.

As per the current cash compensatory support scheme, valid up to 31 March 1985, he said it was found that in respect of nine items whose contribution during the current year's export was expected in the region of Rs 400 crores, a reduction of one half per cent CCS had been effected. For 95 specified items, there had been drastic reduction in the rate of CCS which accounted for roughly Rs 450 to Rs 500 crores of the targeted exports during the current year.

The council therefore made a strong representation to the Centre for reviewing and reinstatement of CCS in respect of these items. It was required that the Government should review the matter and announce its decision for reinstatement of earlier CCS on engineering goods from 1 October 1982.

The council has also suggested that the project assistance on turn-key and package projects on civil engineering construction services, announced up to 31 December 1982 should be extended up to 31 March, 1985 in line with the announcement for other commodities of engineering goods.

Besides he added the Government decision on jute mill machinery and spares, and fabricated houses for CCS was also pending and should be done immediately.

CSO: 4600/1617

COMBAT VEHICLES TO BE PURCHASED FROM SOVIET UNION

Bombay THE TIMES OF INDIA in English 17 Jan 83 p 9

[Text] NEW DELHI, January 16 (UNI).

INDIA has concluded an agreement with the Soviet Union for the purchase of new infantry combat vehicles (ICV) fitted with anti-tank missiles, machine-guns and a main gun which fires high explosives.

These improved versions of ICVs, capable of carrying several troops, will equip the newly formed mechanised infantry units throughout the country.

Official sources said the ICVs would greatly improve the mobility of the Indian army.

Negotiations are now in an advanced stage between the defence ministry and the Soviet Union for the transfer of full technology for indigenous production of the infantry combat vehicles.

The defence ministry and the Indian army are presently considering plans for the production of ICVs at a new factory likely to be set up in the south.

A massive programme of modernisation of the Indian army's armoured fleet has also been launched to increase its firepower. Higher calibre guns, precision guided munitions, and new missiles are being in-

troduced and the older versions of tanks are being improved on.

NEW COLLEGE

To bring the Indian army on par with other armies of the world, some of its infantry units have been converted into full-fledged mechanised wings. This would give the mechanised infantry greater offensive capability.

A full-fledged infantry regimental centre has been established at Ahmednagar, near Pune, to impart training to officers and men in new concepts of combat.

The infantry regimental centre has been located alongside the armoured corps school and the mobile warfare establishment to integrate training procedures.

Sources said the army would soon have a new college of armoured and mechanised warfare for higher command courses to train officers "in new tactical concepts which are contemporary and would meet the potential threats of the 1990's and beyond."

These institutions will help bring about a complete change in the mental attitude of the mechanised infantry officers enabling them to do more offensive planning in the future. In a war the army has to carry out not only defensive but defensive-offensive operations. "The new combat con-

cepts are designed to meet the challenges arising from the changed strategic environments in this region," the sources said.

The defence ministry is also in the process of finalising plans for the indigenous manufacture of a variety of air defence weapons and related equipment. The new military plans lay more emphasis on achieving greater self-reliance in the field of military equipment and weaponry.

The army needs three types of air defence guns to tackle targets at low, medium and high levels. Necessary expertise has been achieved to meet these requirements indigenously.

The new plans for the manufacture of weapons are being drawn up keeping in view the terrain and climate in which they have to be used and also the potential of the enemy with which the army might have to clash, sources said.

In view of the constraints of resources, the military equipment manufacture plans are being implemented in a phased manner. It is in this context that the Indian army is now engaged in the process of modernising older versions of tanks. The T-54/55 tanks are not only being upgunned but there are plans to re-engine them to increase their operation life and give them more teeth.

CSO: 4600/1626

INDIA

SUCCESS REPORTED IN ROHINI-560 ROCKET LAUNCHING

New Delhi PATRIOT in English 14 Jan 83 p 1

[Text] Trivandrum, Jan. 13 (UNI)--The Vikram Sarabhai Space Centre (VSSC) at Thumba, near here, has achieved a major success when a Rohini-560 rocket with a technological payload fully developed by it, was successfully launched from the Sriharikota range yesterday.

According to VSSC director Dr. V. R. Gowarikar, the rocket carried a technological payload mainly to evaluate various aerodynamical and structural parameters.

The successful flight of Rohini-560, the biggest sounding rocket developed by the VSSC, has opened up possibilities for various applications of rocket technology.

The 90-kg. payload consisted of a probe to determine the angle of attack and instruments to measure pressure distribution around the vehicle. Vibration, acoustics and strain measurements were also made to determine aerodynamical load and vehicle dynamic environment, Dr Gowarikar said.

He said the rocket performed well and "good data" were obtained which would be analysed to compare and validate VSSC's analytical models to predict various parameters for its launch vehicle applications.

The rocket, which achieved an altitude of 330 km. could be tracked by both SHAR and Thumba ranges.

The Rohini-560 would be followed up with a series of launchings of other Rohini sounding rockets.

CSO: 4600/1623

DEFENSE MAGAZINE INTERVIEWS ARMY CHIEF OF STAFF

New Delhi PATRIOT in English 15 Jan 83 p 5

[Text]

Chief of Army Staff Gen K V Krishna Rao has said that the Indian Army while honing its operational capabilities to face any external danger, will, in co-operation with the civil administration eradicate insurgency in the north-eastern region.

In an interview to a Defence magazine on the occasion of Army Day on 15 January, he said the lessons of the wars in West Asia and the Falklands would be suitably incorporated in the training.

"Studies of all contemporary wars of relevance to us are part of our normal training in all formations and instructional establishments. A review of training, equipment and operational preparedness is an ongoing process in all modern armies," General Krishna Rao pointed out.

Asked about the insurgency in the North East the Chief of Staff said the problem was a product of history. The British had totally neglected the region and no effort had been made to bring the people into the national mainstream.

He said in the past 30 years, the Union Government had done much to improve the lot of the people. However, certain problems still persisted and interested parties and misguided elements had been trying to take advantage of these.

On service conditions, the Army Chief said a comprehensive case had been prepared and various measures to improve conditions of service, emoluments and compensations project-

ed. An early decision was expected.

On the activities of the Army Adventure Foundation, he said an expedition to Everest was being organised in 1984. A case was also being examined for sending a sailing team round the world.

The Army had also come in for a lot of praise for its role in organising the ninth Asian Games and for taking part in the events. 'We took them on as a challenge and our personnel put up a most commendable performance,' he said.

In a message to the youth, he said they could become a national asset if they imbibed a sense of discipline and developed a sense of national unity rising above petty parochialism.

The Army Chief described the people of north eastern States as basically peace loving, patriotic and nationalistic, and said the problems in this area were really the product of past history.

This region was totally neglected during the British rule and no effort was made to bring the people into the national mainstream.

Over the last 30 years or so, our Government had done a good deal to improve the lot of people and a sustained effort was continuing in this direction. This had improved matters.

However, certain problems still persisted and interested parties and misguided elements had been trying to take advantage of these.

Through sustained action over the years, the Army has been

able to bring most of these activities under control. Many extremists have come overground and have settled down to normal avocations. Some elements, however, continue to indulge in extremist activities, mainly across the borders, he said.

Stating that the Army needed the full support of all sections of society in this difficult task of dealing with extremists, Gen Krishna Rao deplored "tendency among some people to subject the Army's operations to ill-informed criticism."

"Such unwarranted criticism tends to undermine the efficacy of the Army's operations and also adversely affects the morale of troops operating under very difficult conditions in inhospitable terrain. Needless to say, such criticism is against our national interests."

About problems of rehabilitation facing ex-servicemen, Gen Krishna Rao said they retired at a comparatively young age. About 55,000 service personnel including some 900 officers retired or released every year. With proper planning and support their resettlement should not be difficult.

While all pensioners faced hardship due to the rising cost of living, the problem is much more acute for the servicemen since they retire at a comparatively early age.

A comprehensive case for improving the pension and terminal benefits for serving and retired personnel has been projected, he said.

DETAILS ON FIGHTER USE OF AIR-TO-AIR MISSILE

New Delhi PATRIOT in English 10 Jan 83 pp 1, 7

[Text]

INDIA has taken the lead by becoming the first country in the world to successfully integrate a sophisticated air-to-air missile on the overwing pylon of a fighter aircraft, reports UNI.

The Indian Air Force Jaguars have successfully fired live Matra R-550 magic missiles installed on their overwings at their testing range. The trials have been conducted jointly by the IAF, the Aircraft Systems Testing Establishment (ASTE) in Bangalore and in the Hindustan Aeronautics Limited (HAL).

The French-supplied Matra magic missiles have now been cleared for operational use by the Indian Air Force.

Official sources said the responsibility for integrating the magic missile was left to India by its French manufacturers and the British Aerospace which have supplied the Jaguars. The tests were conducted after a joint agreement between India, France and Britain.

Sources said the installation of the missiles on the overwings of a fighter aircraft have a tremendous application in the future. With this the Jaguars have become the first aircraft in

the world to have the overwing missiles in an operational mode.

The Jaguar aircraft had the ability to carry dogfight missiles on the outboard underwing stations. This installation used two existing stations (hard points) but reduced the overall effective load capability of the aircraft. This has now been overcome with test firings of the missiles from overwing stations.

Sources said that initial handling trials were also very successful and the overwing installation presented no problems to Indian aeronautical engineers and technical experts with respect to the stability and control of the aircraft. The installation work was expedited after encouraging preliminary firings.

This development gives great advantage to the IAF allowing the aircraft underwing hard points to carry other weapons. With the overwing magic missiles the Jaguars can now carry a variety of weapons like rockets and cluster bombs and other ordnance thus increasing the versatility of the aircraft and endowing it tremendous air defence capability.

The Jaguars would now carry two overwing Matra R-550 magic

missiles and 30 mm cannon which will serve very well in the air defence role and allow the IAF pilots full protection against the enemy interceptors. At the same time the Jaguars would not be handicapped with additional overwing missiles because the aircraft could carry all the necessary weapons for its primary deep penetration strike tasks.

The novel idea of integrating missiles on the overwings was advanced by the Indian Air Force which sought Defence Ministry's approval in this regard.

The IAF had proposed that in this region it had different environments and if the dogfighting missiles could be installed on the overwing pylons, the Jaguar could become an extremely cost effective aircraft in the dual role needs of a modern tactical air force.

Sources said this successful development had come at a time when the country's air defence capability needed a thorough and urgent reappraisal. The situation had to be viewed also in the context of the arrival of the first batches of the F-16 fighting Falcons to Pakistan from the United States.

CSO: 4600/1617

PROGRESS, PLANS OF INDIAN ANTARCTIC TEAM REPORTED

Calcutta THE SUNDAY STATESMAN in English 9 Jan 83 p 9

[Text] New Delhi, Jan. 8.--A regular communication link between India and its Antarctica expedition team has become operational, reports UNI.

The transmitter set up by the 28-member expedition, led by Mr V. K. Raina of the Geological Survey of India, has started sending signals which could be monitored in Bombay, Panaji or Bangalore, a spokesman of the Department of Ocean Development said today.

Also available to the members of the expedition is the satellite link from the ship, the Polar Circle which carried them from Goa to the continent last month.

The team, which will stay for two months in Antarctica is engaged in scientific experiments and collection of samples of ice, rock and other material for studies.

Argentina, Antarctica's neighbour would like to collaborate with India in studying the continent and its resources, a member of Indian Parliament has reported.

The former Congress (I) Secretary-General, Mr S. S. Mohapatra, who was in New York on his way back home from Buenos Aires, said on Thursday night that Argentina invited India to join the Antarctica treaty.

Mr Mohapatra, who spent about a week in Argentina at the invitation of the Argentine Government, said the Government leaders he had met seemed impressed by India's progress in exploring the ice continent.

He said the Argentines told him that their country was interested in collaborating with India in efforts to study the Antarctica in its various aspects.

India sent its first expedition to the Antarctica last year and followed up with another one which is still there.

The Ocean Development Department of India recently announced plans to send a third expedition to the Antarctica and set up a permanent research station there.

Argentina, which claims part of the Antarctica, set up its first research base there in 1904. At present in 10 such bases, including half a dozen permanent stations. [as published]

The Antarctica treaty was signed in 1959 and will expire in 1992. A spokesman for the Argentine mission in New York said negotiations for its renewal are expected to begin in 1989.

For decades the frozen continent has been the centre of much heated debate on matters which, experts say, could eventually have a bearing on the exploitation of resources it contains. But so far, experts note, the debate has engaged mostly countries which were early to recognize the tasks, and the subject does not seem to have caught worldwide attention.

CSO: 4600/1613

BRIEFS

INFLATION IN 1982--Inflation on the basis of the increases in the index for wholesale prices was less than three per cent during 1982, reports UNI. The average wholesale price index for 1981 was 277.06 (provisional) and for 1982, 284.07 (provisional). The inflation rate has been the lowest after 1979, and stood at 2.5 per cent. However, inflation on the basis of consumer price index for both industrial and urban non-manual employees had been about seven per cent during the 11 months ending November. The official wholesale price index for all commodities (base 1970-71) rose during the week ended 27 December to 287 (provisional) after declining during the preceding five successive weeks. The index was 286.7 for the previous week. The increase in the index followed a hike in the index for non-food articles by 0.7 per cent and for textiles by 0.9 per cent. However, the index for chemicals and chemical products and food products registered declines of 0.3 per cent each. Remained unchanged were the indices for food articles, minerals, fuel, power, light and lubricants, beverages, tobacco and tobacco products, paper and paper products, leather and leather products, rubber and rubber products, non-metallic mineral products, basic metals, alloys and metal products, machinery and transport equipment and miscellaneous products. [Text] [New Delhi PATRIOT in English 9 Jan 83 p 4]

ANDHRA PRADESH LOK DAL--Vijayawada, Jan. 12. The Andhra Pradesh Lok Dal stands dissolved. When the All India Lok Dal split in August leading lights of the party decided to constitute an Andhra Pradesh Lok Dal with a view to maintaining unity in the party on the eve of the Assembly elections. But because of the debacle suffered by it the party executive and some special invitees meeting here on Tuesday decided to dissolve it. Mr. Gouthu Latchanna presided. A committee consisting of Messrs A. Panduranga Rao, K. Sadasiva Rao, P. Janardhana Reddi, A. Seetaram Rao and Rajagopala Reddi will meet in Hyderabad on January 17 to decide the future course of action. Mr. Sunkara Satyanarayana, the lone Lok Dal member in the Legislative Council, announced he would be an Independent. The Lok Dal has no representative in the Assembly. [Text] [Madras THE HINDU in English 13 Jan 83 p 7]

GANDHI TRAVEL PLANS--Vienna, Jan. 21.--Mrs Indira Gandhi will pay a four-day official visit to Austria beginning June 16, reports PTI. After spending a day in Vienna, she will proceed to the Tirolian mountain village, Alpbach, with the Austrian Chancellor Mr Bruno Kreisky, to attend this year's dialogue congress which will discuss "India-Western European relations." [Text] [Calcutta THE STATESMAN in English 22 Jan 83 p 1]

NEW SOVIET AMBASSADOR--Moscow, January 21 (UNI): Mr. Vasily Rykov, member of the Soviet Communist Party central committee, has been appointed Soviet ambassador to India. He will succeed Mr. Yuri Vorontsev, who has been shifted to France. Mr. Rykov, 64, has relinquished ambassadorship at Algeria, where he was sent in 1975. Prior to joining the diplomatic service in 1975, he was mainly engaged in Communist Party and state work. [Text] [Bombay THE TIMES OF INDIA in English 22 Jan 83 p 1]

MICA TO GDR--A contract for export of about 340 tonnes of mica to German Democratic Republic (GDR) valued at about Rs seven million was signed in Delhi on Tuesday, reports UNI. Mr Lothar Ritter of GDR trade Corporation of India Limited (MITCO) B B L Madhukar signed the contract. [as published] This contract is for small size mica including splittings, fabricated mica and scrap which are labour intensive items and all the materials are to be shipped within three to four months. German Democratic Republic buys mica worth Rs one crore annually from India. [Text] [New Delhi PATRIOT in English 12 Jan 83 p 7]

GIFT TO PLO--New Delhi, Jan. 14.--The Prime Minister, Mrs Indira Gandhi, presented Rs 7 lakhs to the Palestine Liberation Organization's Ambassador in India, Mr Saycal Apuidha, for the Palestinian cause, reports PTI. The money was collected by the Philisteen Imdadi Fund Committee, constituted by Mrs Gandhi in her capacity as the Congress (I) president. [Text] [Calcutta THE STATESMAN in English 15 Jan 83 p 10]

NEW NEPALESE ENVOY--Kathmandu, Jan. 16.--King Birendra has appointed Mr Jagadish Rana as Nepal's Ambassador to India, it was announced today, reports AFP. Mr Rana has served as Foreign Secretary for the past three-and-a half years. Before that he was the Royal Nepalese Ambassador in Moscow. He played an active role last year as chairman of the South Asian Foreign Secretaries' Committee for Regional Cooperation. [Text] [Calcutta THE STATESMAN in English 17 Jan 83 p 9]

AMBASSADOR TO GUINEA--Mr Girish Dhume, Counsellor in the Indian Embassy in Jakarta has been appointed the country's ambassador to Guinea in succession to Mr Virendra Pal Singh, reports PTI. Mr Dhume is expected to take up his assignment shortly. [Text] [New Delhi PATRIOT in English 18 Jan 83 p 10]

MICA TO USSR--New Delhi, January 21: The Soviet Union today signed a contract with India for the supply of mica worth Rs. 100 million in the next four months. The contract was signed by Mr. M. A. Chistiskov, leader of the Soviet delegation, and Mr. B. B. L. Madhukar, chairman of the Mica Trading Corporation of India, a government of India undertaking. A second contract for the supply of mica worth Rs. 100 million is expected to be signed by June for delivery in the latter half of this year. [Text] [Bombay THE TIMES OF INDIA in English 22 Jan 83 p 9]

CSO: 4600/1620

PRISONERS TO RECEIVE 'ISLAMIC JUSTICE'

Tehran JOMHURI-YE ESLAMI in Persian 19 Jan 83 p 12

[Text] Ayatollah Sane'i, the country's chief prosecutor, in an interview with the press, radio and television said: "Islamic justice will soon seek all of the guilty."

In an interview with the press, radio and television yesterday Ayatollah Sane'i, the country's chief prosecutor and a member of the Supreme Judicial Council, answered reporters' questions on the Supreme Judicial Council becoming more active, on banned books, problems of the Supreme Judicial Council, pending cases of prisoners, completion of the members of the Supreme Judicial Council, question of clemency and pardon, Islamization of the Ministry of Justice and hoarding and profiteering. On the Supreme Judicial Council becoming more active, the country's chief prosecutor said: "Our participation in these meetings demonstrated to us that gentlemen have performed a good job and continue to do so, and there has been an understanding between us. Goodwill in exchange of opinion expedites the affairs. So far, news published by the Supreme Judicial Council indicates the Council is becoming more active and decisions that were made today concerning this matter have been given to news agencies."

With regard to the collection of banned books and the Imam's decree, Ayatollah Sane'i said, "The Imam of the nation has branded these books as harmful and from Islam's point of view, publication, distribution and possession of such books is a criminal act and deserves punishment. According to the regulations and constitution, if someone is charged, the Judge will determine the penalty based on valid sources; and it is necessary for those who are involved to know that after the Imam's decree, publication, distribution and possession of these books is considered a crime and carries legal actions."

Asked about using common judicial practices within judicial courts, the country's chief prosecutor said, "One of the reasons for common practice is passage of Islamic laws but it takes time for the Islamic courts to adjust themselves to public courts, because in revolutionary courts religious and revolutionary measures are dominant and, in the long run, are the same measures practiced in public courts. But in the short run, if they do not exercise their own measures, they are unable to control and punish counter-revolution with speed. Counterrevolution should be tried and punished

by standards of the revolutionary courts approved by the Revolution Council.

Most of the activities of the revolutionary courts are centered on battle with counterrevolutionary movements and counterrevolution cannot be punished with ordinary offense punishments."

About pending cases of prisoners he said, "According to the eight-point decree of the nation's Imam, most of the revolutionary courts' efforts have been directed toward counterrevolution and basically we do not or have very little pending cases in revolutionary courts.

In public courts, however, we have many cases pending due to shortage of judges and, with God's will, this will be solved soon."

He said, "If awaiting a decision period of jailed hypocrites becomes lengthy, it is because of their attitudes and contacts with judicial officials, they do not introduce themselves."

"As a Muslim, I say that under our present conditions, pending cases are insignificant."

As for problems facing the Supreme Judicial Council, Ayatollah Sane'i said, "Our main problem is the shortage of judges and prosecutors and government attorneys throughout the nation. Decisions have been made to attract them. Our other problem is unfamiliarity of people with Islamic laws. On this subject, public means of communication, preachers and speakers should guide the public and explain to them the approved Islamic laws."

He also said, "The headquarters to follow up on the Imam's eight-point decree has come up with two plans, a short run and a long run, which would be implemented shortly and Islamic justice will go after them regardless of their status and positions."

Concerning his recent meeting and discussions with the leader of the Islamic revolution, the country's chief prosecutor said, "Basically, religious questions were in our minds in these meetings. Because legally, certain rights of pardons have been given to the leader and I asked him for legal and religious authority."

Answering a question on reelection of the Supreme Judicial Council, Ayatollah Sane'i said, "All members of the Supreme Judicial Council are respected and recognized by the Imam but he said that for certain reasons we delegate this difficult task to others and since these gentlemen have collectively resigned, election for members of the Supreme Judicial Council will take place soon."

The country's chief prosecutor, with regard to pardons said, "In the Islamic republic, forgiveness is customary but the main point is for the prisoner to repent and be reformed. In other words, an unchanged factor for pardon

"is for the prisoner to repent and be reformed. This should be known by prisoners that just as the Imam is the symbol of God's anger, he is also the symbol of His forgiveness.

But the factor behind a prisoner's pardon is his repentance that can be confirmed by the prison authorities."

As for profiteering, the nation's chief prosecutor said, "This problem should be solved in a meeting among economic experts and responsible officials of the country. As far as Islam is concerned, under present conditions profiteering is a sin and the guilty should be legally punished by officials in charge."

At the conclusion, the nation's chief prosecutor said, "Among ways to Islamize the justice system are entering Shar' magistrates into the system, expedition in approving Islamic laws and regulations and execution of Islamic laws by the judges."

CSO: 4640/115

RAFSANJANI LABELS SOCIALISM AS 'SERVANT OF ZIONISM'

Tehran JOMHURI-YE ESLAMI in Persian 19 Jan 83 pp 1, 12

[Text] In the Name of God, the Merciful, the Compassionate.

In a meeting with the Commander and Director of Political Ideology, a number of the Navy officers, and members of the Islamic revolution guards at the Nuh Joint Naval Base on Tuesday night, Hojjat ol-Eslam Hashemi-Rafsanjani, esteemed speaker of the Majlis, gave an important speech which deserves explanation and we hope we can accomplish part of it in this article.

Hojjat ol-Eslam Hashemi-Rafsanjani's remarks consist of three parts as follows:

1. Necessity and continuation of fruitful cooperation between the Islamic Revolution guards and the armed forces of the Islamic Republic;
2. Importance of the security of the Persian Gulf for us and the world, and the fact that the people of this region, including the Islamic Republic of Iran, have the right to decide and act on this matter and not others.
3. The French socialists have created a question mark for the future of socialism in the world.

All three subjects should be independently analyzed and their various dimensions explained. However, the subject of the socialists, the way Hojjat ol-Eslam Hashemi-Rafsanjani has discussed it in his remarks, is something new and we try, in this article, to discuss one of the aspects of socialism in the world.

The fact is that, as Hojjat ol-Eslam Hashemi-Rafsanjani said, the Socialists, in practice, have followed a policy that more than anything indicates their lack of ideology and principle. At the present time, in countries where the Socialists are ruling, there is no sign of socialism in the economy and the society. The stinking smell of capitalism, particularly the disgraceful American type, has filled the air in those countries. More important, Socialists, whether they are in power to seeking it, are politically the servants of Zionism.

The principal reason could be found in the fact that socialism is being mis-used to achieve long-standing goals of capitalism, which is what America seeks.

The great Satan is now running a show where the Socialists are its players. The main purpose of this play is that the nations will be deceived by nice slogans offered by socialism before they revolt against capitalism; and only after the Socialists come to power that socialism would show its true nature which is nothing but dedication to achieve the dirty goals of world capitalism, and to plunge the society in a cesspool.

Even though the show is run by the American Government, the play is written by Zionists. The Zionists determine the basic policy of world capitalism, choose the governments in America and dictate to them their policies. In such a way, we could eliminate the intermediary and conclude that socialism is the servant of Zionism. An international Zionism plan which is executed by the Socialists begins with littering the nations with moral corruption and their deep dependence on sex, alcoholism and luxuries and ends with absolute surrender to the plots of international Zionism. This was done by the Socialists after they assumed power in France. In Spain, where the Socialists have recently gained strength, the same scheme is being followed intensely.

In order to achieve the goals of international Zionism, the great Satan has many dreams for that continent and the Spanish-speaking countries in particular; and, intends to carry out these schemes through Spain's Socialists who have recently gained power. Zionists are using money and other tools to bring the Socialists to power in European and Latin American countries. The nations lack of awareness, attractiveness of the Socialist slogans and corruption in the present governments of the European and Latin American countries have helped Zionism to achieve some success.

An interesting phenomenon is that in many countries, people strongly oppose Zionism (for example, the Spanish), but the Zionists' campaign is so strong that despite the hatred for Zionism, unknowingly they fall in the trap of the Socialists who are the mercenaries of Zionism.

An example of collaboration between the Socialists and international Zionism is the close cooperation between Mitterrand's Socialist Government and the occupying regime of Jerusalem.

The French Socialist Government has demonstrated this cooperation in various forms such as: expanded military aid to the Ba'thist/Zionist regime of Iraq, giving sanctuaries and help to the fugitive Iranian generals who were generally mercenaries of the occupying regime of Jerusalem in the Shah's organization; suspicious contacts with dependent rulers of the region and military aid to them.

If we consider the great danger of the Islamic revolution for the Zionist regime and international Zionism, the Zionist nature of Baghdad's ruling regime, and submission to Zionism of the region's dependent regimes, there

would be no doubt that the above-mentioned actions by the socialist government of France followed instructions that are dictated to the occupants of the Elysee Palace from Tel Aviv.

Hojjat ol-Eslam Hashemi-Rafsanjani referring to this point, said: "In fact, the French Socialist Party is used by the American capitalists as a lever and the future will be a judge of this matter. What Reagan and the Zionists should do now, has been given to the socialists, so the French Socialists have taken over the center of regional terrorism."

It fits to use here other realistic statements made by Hojjat ol-Eslam Hashemi-Rafsanjani concerning the outcome of (result of) the French Socialists' actions on behalf of Zionism. He says, "This move by the French Government has placed the destiny of the French people and their economy dependent on the survival of someone like Saddam, whose future is shaky and is not going to last long.

This is only part of the truth. The entire truth is that, in addition to the French Government, all world oppressors particularly those who have given military, economic and political support to Saddam in the past, have in fact dug their own graves in the region.

The stormy waves of the Islamic Revolution have been awakening the nations of the region more and more, and in the near future, this awareness would show its shining results. Without a doubt, those who have been fanning the flames in the region--whether from the East or West--will burn in the flames of the same fire they set.

The future which belongs to the nations will prove this fact. We have absolutely no doubt that God's triumph which has now enveloped the leader of the Islamic revolution, Imam Khomeyni and Iranians would continue until the Muslims of the world would stand praying behind Imam Khomeyni in the "Al-Aqsa Mosque" freed from international Zionism. That day is not too far. And, on that day the noses of the French Socialists and their American counterparts will be rubbed to the ground.

CSO: 4640/116

ZIA DISCUSSES DOMESTIC POLITICAL SITUATION

BK110307 Karachi Domestic Service in English 1700 GMT 10 Feb 83

[Text] President Gen Mohammad Ziaul Haq has said he is trying to build a base on which future governments could function with a more solid, profound and steady political structure. Talking to newsmen on arrival at Lahore airport this afternoon, he said this is being done because of our 35 years of unproductive efforts in this regard. Replying to a question, he said he would seek the people's approval for his plan. Another arrangement could be to consult all sections of people including politicians, lawyers, members of the Federal Advisory Council, provincial councils and others to draw consensus. After consulting them, they may let the people select or elect their representatives based on the legal framework.

Replying to a question, the president said we cannot take away the right of adult franchise from the people. But we can take steps to ensure that the people elect their representatives in a sober and sane environment. In order to bring about this sanity, some qualifications and disqualifications for the candidates must be laid down so that only patriotic, talented and intelligent people are elected irrespective of their political affiliations.

President Mohammad Ziaul Haq made it clear that they had not yet decided whether elections will be held on a party or non-party basis. If held on a party basis, the parties will have to be registered and those already registered will have to requalify themselves and some more rules may be framed for fresh registrations.

Replying to a question about the lifting of the ban on political activities, he said it would be done at the proper time. He added the elections have to be held and political activities have to be restored, but we would have to evolve a modus operandi for it.

Replying to another question, the president said he already had direct and indirect contacts with some people and whenever a question of consulting the politicians arises he can approach them directly. There was no confrontation with the political elements. He also did not see any dispute with them on

fundamentals and believed that the politicians are nationalistic enough to see the requirements of the country. The president said he had no dislike for anyone and saw no reason to (?gauge) their loyalty to the country.

About the local bodies commission, the president said the federal ministers for local bodies, Fakr Imam, will be presenting his report to him on Saturday. He said local bodies elections will be held during the current year and the exact date will be made known to the people later on.

About the current load shedding by the water and power development authority, the president said in view of the shortage of energy it had become necessary, but we have to see how best we can avoid it in future.

Talking about the forthcoming nonaligned summit, President Mohammad Ziaul Haq said the Afghan issue was on its agenda and added that the Afghan question would definitely figure at the summit.

CSO: 4600/312

ZIAUL HAQ DISCUSSES ARMY POLITICAL ROLE

GF081900 Karachi DAWN in English 6 Feb 83 p 1

[Text] Islamabad, Feb 5--President Ziaul Haq today reiterated that in the Islamic state of Pakistan the armed services had a role to play which would be determined on the basis of the concept that they must act for the stability of the country.

Replying to newsmen's questions in an informal chat after inaugurating the fifth session of the Majlis-i-Shoora [Consultative Council] the president reaffirmed his promise to announce the framework of the future system of government for Pakistan, based on Islamic concept, by August 14, 1983. It would be enforced after the approval of the people which would be obtained "not necessarily through a referendum," he added

Asked what role he had in mind for the armed services in the framework of the future system, the president said, "As much as there should be in any form of government." He believed that the military should not act like a sword hanging on the heads of politicians. But it did have a role to play in the context of external aggression as well as internal stability.

This role, which was to be determined in accordance with the country's traditions, environment and political acumen, he said, would not entitle the chief of staff to call on the elected head of government and tell him to vacate office because he did not like his face. He himself took over power in 1977 because he was forced by the people and not because he did not like the face of the former prime minister. Anyway, he added, his government was trying to evolve a system of government which would guarantee against the military being forced to take over.

He said the report prepared by the Islamic ideology council on the Islamic system of government was being sent back to the council because it lacked points about certain substantial aspects. The council was being asked to work out a detailed programme with complete outlines of an Islamic system of government. Certain other committees, including one of the Shoora, were also working on the framework, he added.

The president justified his statement, made earlier while inaugurating the Shoora session, that there should be no place for public meetings and processions in the country's politics. In developing countries, he said, politicians held limited closed-door meetings and went from house to house for political contacts. They did not disturb other spheres of life by taking out processions or holding large public meetings.

He said in the interim period, the people's representation could be best ensured by the 287-member nominated Majlis-e-Shoora. Even in the mother parliament, he added, 50 percent members were nominated. The Shoora had already proved its usefulness and importance.

Asked if the future system will have any scope for political parties, the president said the question was being considered. Politicians, at least those with whom he was in contact, would be consulted before the future system was enforced.

A foreign correspondent asked if in his opinion an Islamic Government was responsible only to God and not to the people, the president replied in the affirmative, but it did not mean that a man could commit murder and get away with the plea that he was answerable only to God. However, a government working in accordance with the injunctions of Koran was answerable to God and then to people, he said.

Replying to a question about qazi [judicial] courts, the president said it would bring no special change for lawyers and they would continue to function as before. Codification of laws was in progress. Wherever the present law was in conflict with Islamic injunctions it would be amended. The rest would remain as they were. The other requirement was that a judge should be a pious and honest man who should have the knowledge of not only secular.

APP adds: Asked when he would be making changes in his cabinet, President Zia said there would be some changes after the Shura session but he could not give time.

He said all members of his cabinet team had joined the government with a spirit of serving the nation and has done well to the best of their ability.

He said if anybody is changed it does not mean that he had anything against him. "However, it is necessary that I should keep changing and bring those who have better productivity," he added.

Asked about implementation of the recommendations of "Islahe Muashra" [Reformation of Society] Committee, headed by Federal Information Minister Raja Zafarul Haq, the president said some of the recommendations has already been implemented.

Replying to a question regarding U.N. special emissary Mr Cordovez's efforts towards the settlement of the Afghanistan problem, the president said he was optimistic about these efforts. The United Nations was playing an active role in this regard.

He said the UN efforts have tacit approval of the Soviet Union and the United States has also backed these efforts. He admitted that there was a price hike in the country, and said this would be one of the important issues to be debated by the Majlis-i-Shoora. However, he said the government had done many other things which brought relief to the people.

Asked if the Kashmir issue would be raised at the forthcoming nonaligned summit in New Delhi, the president reiterated that Kashmir was a stumbling block--a major issue between India and Pakistan. But, he added, it was not necessary to go to war for this issue which he believed could be solved peacefully. Therefore, he thought, a start should be made from areas of agreement and then move to areas of disagreement. He would try to meet Mrs Indira Gandhi in New Delhi with the belief that in the formation of relations between the two neighbouring countries it is important to identify the cause which did not let these relations grow. However, he said, he had not yet seen the agenda of the nonaligned summit.

CSO: 4600/312

MRD OBSERVES 'DEMOCRACY DAY'

GF131930 Karachi DAWN in English 7 Feb 83 p 1

[Excerpts] The MRD [Movement for the Restoration of Democracy] on Sunday observed "democracy day" by renewing its resolve to launch a struggle for the restoration of democracy, rule of law and the 1973 Constitution.

The main resolution, adopted at an MRD workers' meeting at Mr Abid Suberi's residence in Karachi, said that to achieve the objective the MRD leadership was trying to form a "grand alliance" in conjunction with various bodies of students, peasants and workers, lawyers, doctors and women, etc.

As many as 12 resolutions were passed ranging from the country's foreign policy to internal issues, like the rights of women, freedom of the press, law and order problem, energy crisis, labour problems, student affairs, "religious extremism" and re-opening of the Khokhrapar route.

The MRD, while disavowing any agreement with any country which compromised Pakistan's nonaligned policy, extended its "hand of friendship" to all the neighbouring countries on the basis of 'Panchshella' of Bandung conference. It also supported the attempts being made on international level for a peaceful solution to the Afghan issue and urged that Pakistan, to that end, should enter into direct negotiations with the USSR and the Karmal regime.

The MRD condemned unequivocally Israel's expansionist designs, in particular the genocide brazen-facedly perpetrated on helpless men, women and children in West Beirut, and extended full support to brother Palestinians in their freedom struggle.

The MRD in another resolution decried attempts to demote women's status to that of a "second class citizen" and said that it stood for the women's liberation in social, economic and democratic spheres.

On the freedom of the press, the MRD called for the withdrawal of censorship and removal from the statute book of the press and publications ordinance and other extraordinary laws governing the newspaper industry.

Other resolutions expressed MRD's concern over alleged retrenchment of industrial workers as well as dispossession of the peasants from the lands tilled by them.

The MRD said that the energy crisis as well as the 'arbitrary' increase in the prices of oil and gas had caused great inconvenience to the poor consumers and also slowed down production. It demanded resignation of the government due to "its failure to solve the day-to-day problems of the people." It regarded the present educational system as "detrimental" to the nation's dictates, requirements and aspirations because, in its opinion, the system was limited to a handful of well-to-do class and also envisaged separate institutions for boys and girls as well as allowed the private sector to set up schools and colleges.

Expressing concern at, what it called, the deteriorating law and order problem and also the infusion of trends based on "religious fanaticism," the MRD said that the only way out was the induction of a democratic and duly-elected government on the basis of the 1973 Constitution.

It called for the removal of the ban on political parties and their activities as well as the release of political leaders and workers and those belonging to various trades and professions.

Our staff correspondent adds from Hyderabad: The MRD Hyderabad observed "democracy day" here on Sunday.

The meeting demanded immediate lifting of martial law, general elections in the country under the 1973 Constitution and transfer of power to elected representatives of the people.

The meeting through a resolution demanded release of political detainees including Air Marshal (Rtd) Asghar Khan, Miss Benazir Bhutto, Nawabzada Nasrullah Khan, Maulana Fazlur Rahman, Mr Rasool Bux Palejo, Mr Rozi Khan and other arrested workers, peasants and students.

The meeting by another resolution demanded that reservation of seats for retired army personnel should be done away with. It condemned the alleged conspiracy of vested interest in inciting various religious factions of the Muslims against each other and demanded that all the demands of Shia community should be accepted immediately.

Other resolutions passed unanimously included acceptance of demands of the students of technical colleges, release of arrested students, exemplary punishment to the murderers of Qadeer Abid Shaheed, admission of Palestinian students.

The meeting was of the view that by creating price spiral and inflation in the country the government was trying to divert the attention of the people from the more profound and basic problem confronting the people.

CSO: 4600/316

ZIA SPEAKS ON PARTY REGISTRATION

GF131250 Karachi DAWN in English 11 Feb 83 p 1

[Text] Lahore, Feb 10--President Mohammad Ziaul Haq said here on Thursday his government was yet to take a decision whether elections are to be held on party or non-party basis. In case they are held on party basis then even the parties already registered would have to requalify themselves through fresh registration in accordance with the rules the government might bring in.

The president, however, made it clear that all press reports regarding the basis of election were mere conjectures as the crucial decision was yet to be taken.

President Zia, who was talking to newsmen at the Lahore airport, was asked if there would be some restrictive qualifications for the candidates if and when polls are held. He said, "Of course, there would be qualifications because they are very important."

After all, he said, the government could not allow every Tom, Dick and Harry to come and start dictating the affairs of the country just by virtue of one strength or the other. The government wanted that those elected in future should be the people who are competent, talented, loyal and patriotic Pakistanis, irrespective of their financial resources.

Further asked if eligibility would also be irrespective of political affiliations, he said: "Yes, irrespective of political affiliation."

According to President Zia there were only two options in this regard: polls on party basis, in which case there would have to be fresh registration of the parties or on non-party basis, which would obviously not involve the parties.

He, however, made it clear that the basis of elections was yet to be decided.

The president said one thing was clear: That elections must be held on the basis of adult franchise since he could not take away the right given to the people. But he could rectify the situation by ensuring that people elected their representatives in sane and sober environments. In order to introduce the element of sanity in politics, the government would come out with some qualifications for the candidates.

When a correspondent wanted to know that since he had ruled out a referendum on his proposed political set up, how else was he going to seek the people's verdict, he evaded a direct reply but added that general elections themselves provided a mode for electing the verdict.

President Zia said he would present his plan to the people and would consult all sections of the population--lawyers, politicians, members of the Majlis-i-Shoora [advisory council] and provincial councils.

These consultations could take place officially or unofficially.

The president disagreed with a correspondent who noted that with the passage of time the tension and the gap between the government and the political parties were on the increase and that while all the parties without exception appeared to be perturbed over the situation in and around the country, the president himself was confident. He said: "I do not think we have any confrontation or we have any dispute over the fundamentals. I think our politicians are nationalistic enough to see what the requirements of the nation are."

In his opinion the crux of the matter was that politics was a part of their profession and they appeared to be concerned about their profession, like lawyers who believed they were facing an economic problem. He thought that politicians apprehended that their profession was likely to be jeopardised in future, "of which there are no chances because the country has to be run by politicians and administrators."

He said politicians provided leadership while the administrators gave the administration, adding, "It has got to be like this, it cannot be otherwise."

The only difficulty, the president maintained, was "because of our 35 years of unproductive efforts. This explained why the government wanted to give a base on which a stable political structure could be built.

The president was of the opinion that since he could talk to some of the politicians directly and to others indirectly, there was no need of an intermediary, a mediator or an arbitrator.

He added: "I don't think the politicians have started hating my face; when the day arises, I will pack up. I have no hatred against anybody; have only love and regards for them." He said that the hand on political activities would be lifted at an appropriate time. The only thing to be seen was whether these should be carried through meetings and processions or in a simple, quiet manner.

President Zia said that the report of the local bodies commission will be received by him on Saturday. The president said that the federal minister for local bodies and rural development would hand over the report to me and discuss this report.

The president said that the local bodies commission had gone through the whole gambit of local bodies including power, jurisdiction, election everything including qualification, disqualification out of which an ordinance would be made for local self-government.

The president said that the ordinance would go to each province which would modify it according to their requirement and issue the ordinance. Replying to another question, the president said the election of local bodies would be held during the current year, the date has not yet been decided, he added.

The president said that Afghanistan question will very much figure at the non-aligned summit.

Talking to newsmen at the Lahore airport, he said that he would give the newsmen the detail of agenda before leaving for summit.

CSO: 4600/316

INCREASE IN EXPORTS TO IRAN DISCUSSED

GF151405 Karachi DAWN in English 13 Feb 83 p 1

[From the "Business and Economic Review Supplement" by M. B. Naqvi]

[Text] Many exporters and trade officials confidently believe that chances of winning orders from Iran for another 50,000 tons of urea, and about 50,000 tons of sugar, largely by reserving the production of two specified mills that produce somewhat better quality sugar, are bright. This can bring in up to one billion dollars to this country, provided we remove our transport bottlenecks. A less ambitious target would be \$750 million. As it is, Pakistan may earn up to \$400 million from Iran even this year.

The long-range potentialities of the recent trade deal with Iran--in which 130,000 tons of wheat and 47,000 tons sugar and notable quantities of fertilizers are being contracted by Iran--deserve to be kept in sharp focus, according to trade circles. The size of the Iranian market for the four items, wheat, sugar, barley and fertilizers is a healthy seven million tons per year. And Iran is unlikely to be short of hard currencies in the foreseeable future.

This does not mean, as an official concerned with trade matters put it, all is plain sailing. True, Iran is unlikely to be self-sufficient any time soon and it does seem as if Pakistan will continue to have surplus quantities of wheat, barley and fertilizer. How stable these surpluses would prove to be is not yet certain. Sugar is surplus and is being sold at distress prices. Even so, Iran is not taking all of our sugar surplus, although it could.

Insofar as sugar is concerned, the quality of our product is by international standards low. Iranian consumers will not accept it on their tables. The 47,000 tons that it is buying is intended for industrial uses. But even here they have bought the surpluses from only two mills--which produce relatively more refined quality.

They, there are other uncertainties; how long will the production keep on outstripping the increasing demand of a growing population; it is not at all certain. Nor is the economics of selling at international prices always workable. As of now, we are selling at around \$215 [as printed] for ton although our cost of production is almost twice this rate. Should the Pakistani consumers and taxpayers go on subsidising an inefficient industry?

Nitrogenous fertilizers (urea) promises to remain surplus for the next few years at least. It is impossible to be sure of the position beyond three years, according to sources close to the National Fertilizer Corporation. Nor is the prudence of planning sizeable exports of such a vital input beyond all question.

Rice is one of the traditional, and perhaps the most stable, export item. Insofar as Iran is concerned, like most West Asian states it prefers the superior quality Basmati rice. Pakistan can be sure of a fair quantum of Iranian market that is estimated at about 50,000 tons (of stable imports).

Wheat surpluses are still very small. This year we had nearly 200,000 tons to sell, out of which Iran has already contracted to lift over 170,000 tons. But what of the future? While some surplus can be relied upon, its quantum is hazardous to guess. Barley is in any case a small crop, meant mainly for export. Not much more than 150,000 tons are likely to be available for export. Iran can lift it all.

For the development of Pakistan-Iran trade, there are virtually no obstacles on the Iranian side. Trade circles do concede that internal transportation in Iran is not as efficient as in, say, a Western country. But it so happens that there are far more difficulties to be overcome on the Pakistani side. Due to a number of factors, bulk of this trade can only rely on the overland route. Trade circles regard it as a bottleneck.

Pakistan has been unable to fulfil a number of contracts with Iran in the past. Cause? Inability of the Pakistani exporters to deliver in time. The railway link between Quetta and Zahedan is almost in shambles. The Pakistan railways demand of Pakistani exporters not to enter into firm commitments with Iranian importers, without first obtaining clearance from it regarding the wagons schedule. Few exporting countries can beat it: wagons shortage is endemic. Always there are not enough of available wagons.

More importantly, the track itself leaves so much to be desired: it is rickety, to put it mildly. If large-scale trading is intended with the big and sure-to-grow market of Iran, this track has to be both strengthened in foundations and replaced to take in faster and heavier trains the year around. According to trade officials there are no realistic alternatives to improving the track and rapidly producing more wagons.

There are not many other hard obstacles. The geography favours a rapid expansion of Pakistan-Iran trade. The payments arrangements, through the Asian clearing union, are smooth and helpful.

Many traders and officials recommend a closer study of the potentialities of this two-way trade. Pakistan is an oil-starved country while Iran is one of the biggest oil producers. They say Pakistan can learn quite a few things by India's experience of dealing with Iran. They have stolen a march when they established the big Madras refinery with Iranian money while Pakistanis sat over an extremely attractive oil deal from the Iranians for many years and then contemptuously rejected it.

STUDENTS DISRUPT CITY TRAFFIC

GF081832 Karachi DAWN in English 6 Feb 83 p 3

[Text] A group of students seized about 25 buses of the Karachi Transport Corporation from different areas of the city yesterday and disrupted vehicular traffic on Sharae Faisal.

The airport police arrested seven students on charges of violation of Sec. 144 CR. P.C. [criminal penal code]. They have also been booked under Section 188, 147 and 353 of the PPC [Pakistan penal code] for creating traffic hazards and pelting stones at public vehicles.

They were identified as Messrs Tausifur Rehman, Parvez Akhtar, Sohail Ahmed, Azhar Jawaid, Mohammad Akram, Aftab Ahmed and Abdul Malik.

The students seized two NLC [national logistics cell] tankers near the JPGMC Jinnah Post-Graduate Medical Center] and Sharae Faisal intersection and deflated their tyres, causing a traffic jam for quite some time.

Two KTC buses were also seized on Sharae Faisal near Karsaz and traffic was disrupted.

The students, belonging to Islami Jamiat Tulaba also seized some more buses and took some of them [to] various educational institutions in the outskirts of the city. Some of them, carrying students, were taken to the Dow Medical College [DMC] where a meeting was held. The buses were left there.

After the meeting, the students went to the Memon Masjid, offered prayers, and later went to the Mereweather tower where some of them pelted stones at a few cars. However, no major incident was reported.

Eleven seized buses were taken to the Karachi University. They were used for dropping students at their destinations back home. Later, the buses were released.

In a press release, the students of Islami Jamiat Tulaba claimed that they [word indistinct] hurdles [word indistinct] vehicular traffic at various places in the city and held a meeting at the DMC addressed by the Nazim of Jamiat, Mr Hasan Shoaib; the president of Dawood Engineering College Students Union, Syed Bialal; and the general secretary of the Ned University Students Union, Mr Masood Mehmood.

A 'citizens committee' meeting, which was attended, among others by Shoora members Begum Mahmooda Sultana, Syed Saeed Hasan, Mir Marwat, Mian Akhtar, Mr Ubaidur Rahman and others, including Maulvi Ishtiaq, Ilyas Rashidi, etc., passed a resolution stressing the need for solving students' problems through negotiations, says a press release issued by Begum Talat Fateh, general secretary of the defunct women's section of PML [Pakistan Muslim League] (Pagaro group).

CSO: 4600/312

'DAWN' DETAILS WOMEN'S DEMONSTRATION

GF151342 Karachi DAWN in English 13 Feb 83 p 1

[Excerpt] Lahore, Feb 12--About 150 women were today subjected to lathi-charge and teargassing by the police as they tried to take out a procession from Hall Road to the Lahore High Court to register their resentment against the proposed changes in the evidence act.

The police rounded up 31 women, mostly lawyers, lecturers and leaders of women organisations, and took them to the civil lines police station but released them after about three hours.

Traffic remained suspended for about 35 minutes on the Hall Road and for 25 minutes on the mall--both extremely busy shipping centres located in the heart of the city.

The women who had announced their plans to take out a peaceful procession to the high court where they proposed to present their memorandum on the evidence act to the chief justice, started gathering on Hall Road at about 10 a.m. At half-past 10 they tried to march in files of two carrying placards. The lady police however, did not allow them to do so. The women leaders pleaded that they should be permitted to march peacefully to the high court but the duty magistrate and police officers refused to oblige. In the meantime, the noted poet Habib Jalib also appeared on the scene and recited his poems. After some time the women processionists broke open the police cordon and came up to the mall where they staged a sit-down blocking the traffic. The lady police contingent could not stop the onrushing processionists who appeared to be determined to march up to the gate of the high court. The male police force which also tried to stop them, resorted to lathicharge and teargassing.

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KARACHI PROTEST PROCESSION VIEWED

GFI21406 Karachi DAWN in English 11 Feb 83 p 1

[Text] Hundreds of people took out several processions on wheels from different parts of the city last evening to participate in a conference at Ghodra Colony, Sector 11-G, New Karachi last night.

The conference was being held under the auspices of Jamaat Ahle Sunnat [Sawad-i-azam), a combination of 18 organisations, to condemn the alleged sacrilege of Holy Koran there on January 28 last.

The people formed small processions on wheels and reached the meeting place when speakers were addressing the conference. The biggest procession, comprising about 4,000 people, was taken out from Jamia Masjid, new town which passed through Liaquatabad, "Federal B" area and reached North Karachi peacefully.

Leaders of different organisations spoke on the occasion as hundreds of people continued to come in at [all] hours of night. The crowd was estimated at about 50,000.

Speakers at the conference sought approval of their demands which included trial of the culprits in open courts for being allegedly responsible for sacrilege of the Holy Koran and damaging the property of the people of the area, release of all innocent persons held after the incident, handing over of control of the mosque to the people of the area, total ban on Moharrum processions, compensation for the victims of the incident, expulsion of the Iranian consul-general and action against those who violated the law by staging a sit-in on M.A. Jinnah Road.

The speakers gave the government a deadline till Friday next for acceptance of their demands. They also announced that an all-Pakistan conference will be held at Nishtar Park to press for the acceptance of their demands.

Prominent among those who spoke at the conference were: Maulana Asad Thanvi, Maulana Asfandiyar, Maulana Attaur Rehman, Maulana Amjad Thanvi, Maulana Zakaria, Maulana Salimullah Khan, and Mufti Ahmedur Rehman.

The conference remained in session in a peaceful atmosphere till our going to the press. All senior officials of the city administration and a strong contingent of armed police remained alert near the meeting place.

JATOI SAYS PPP TO SHUN CONFRONTATION

GF151008 Karachi NAWA-E WAQT in Urdu 10 Feb 83 International Edition p 1

[Text] Lahore, 9 Feb--The former chief minister of Sind, Mr Ghulam Mustafa Jatoi said that if the Pakistan People's Party [PPP] comes into power it will not take revenge upon its opponents in order to protect the interests of the country. The legal process will however continue and the law has its own set path.

He was speaking to correspondents at the residence of the former Senator Mian Ehsan. He said: Our hearts are very large and our shoulders very strong, which is why we have borne all affronts with smiling faces and we have no intention of taking any kind of revenge. In answer to a question, he said: The situation in the country is such that things can get out of control at any minute and if a policy of confrontation is adopted it will be extremely detrimental to the security of the country, which will provide an opportunity to external powers to capitalize on the situation. Therefore, we shall not adopt a policy of confrontation, although there does not seem to be any other way for tackling the problems of the country at the moment.

He added: We believe in one Pakistan and we do not want anything which endangers its security. In answer to a question he denied that there were differences in the MRD [Movement for the Restoration of Democracy] ranks. He said: Various restrictions have been imposed on the MRD leaders with the result they do not have any contacts with the people, but despite this, the MRD will continue to strive for the restitution of democratic values and civic freedom. He expressed the hope that the MRD platform can keep the country safe from all kinds of danger.

In answer to a question, he said that in addition to the restoration of democracy and the Constitution, the MRD is also paying attention to the problems of the common man and a declaration is being prepared in this connection because most of the people's woes are linked to the restoration of democracy. That is why, when we talk of democracy and the elections, we are talking about the problems of the people. Answering another question, he said that the MRD is also preparing a white paper on the present government's 5-year tenure of office; and it is our good fortune that a Constitution formulated by elected representatives exists and no individual or organization is authorized to amend or revise it, except an elected assembly.

In response to a question, he said: All parties including the Jamaat-e-Islami are clamoring for elections and the restoration of democracy. In view of the growing pessimism and the rapid trend of events, the situation could get out of hand for the politicians as well.

SACRILEGE CULPRITS TO BE TRIED BY MILITARY COURT

GF081942 Karachi DAWN in English 6 Feb 83 p 1

[Text] The Sind governor, Lt-Gen S.M. Abbasi, yesterday presided over an emergency cabinet meeting to consider the situation arising out of the protest resulting from the desecration of the Holy Koran and mosque in north Karachi.

The cabinet decided to form a committee comprising Ulema and notables of different sects.

After the cabinet meeting the governor also presided over the meeting of this committee, which in its prolonged session took unanimous decision related to problems and demands. These decisions are being implemented with immediate effect.

In view of the seriousness of the problem, the governor also decided that the culprits will be tried by military court.

Our staff reporter adds: The 36-hour-long-sit-in by the followers of the Fiqatgafaria on the N.A. Jinnah Road has not ended till 1:45 this morning.

DAWN correspondent telephoned from the site that talks bogged down at one last point and efforts were being made by the members of the peace committee, appointed by the Sind governor, and others to cross this last remaining hurdle to a negotiated settlement.

The four main demands of the protestors included severe punishment to those responsible for the sacrilege, (II) compensation for the damages, (III) allotment of land for mosque-cum-Imambargah, and (IV) guarantee for protection and respect for each community.

The first sign of settlement came when the press note of the meeting chaired by the governor was telecast by the KTV promising interalia trial of culprits in the military courts, and the payment of compensation for the damages.

Shortly after midnight, the Sind home secretary had countersirged the terms of compromise, and the members of the peace committee (Allama Abbas Hyder Abidi, Shaikh Liaquat Husain, Syed Saghir Jafri, and Mr Saifuddin Valika) shuttled back and forth to sort out the remaining issues.

At first, both parties were reported to have agreed to the term of settlement reached at the meeting on January 17 last under the chairmanship of deputy commissioner (Karachi West). This provided for a new, agreed site for the Imambargah in the same sector (sector 11-G) but the mosque to stay at the present site.

When the other remaining details were being gone through, the lone peace committee member (Syed Saghir Jafri) who was among the leaders of the [words indistinct] reported their insistance on mosque-cum-Imambargah staying at the present place.

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BRIEFS

SECTARIAN CLASHES--Karachi, 11 February--The deputy secretary general of the defunct Jamiatul-Ulema-i-Pakistan [JUP], Professor Shah Faridul Haq has said that one particular group is trying to fan sectarian differences and create a situation similar to the one in Lebanon. A spokesman of the defunct JUP said here today that Professor Shah Faridul Haq, in a telephone conversation from Durban, South Africa, had expressed his apprehension about the incidents which occurred in Karachi this week. He said: A particular group is aiming to create civil war conditions and is instigating sectarian clashes for the same purpose. The leader of the defunct JUP warned that internecine strife should be controlled quickly and effectively; otherwise, it will provide India and the Soviet Union with an opportunity to intervene in Pakistan's internal affairs. He said that one of the sects was being given financial aid by an external power. [Text] [GF141640 Karachi NAWA-E WAQT in Urdu 12 Feb 83 International Edition p 1]

JAPANESE GRANT--Japan will provide debt relief and economic assistance to Pakistan by a grant amounting to a sum of about 37 million rupees. Notes to this effect were exchanged in Islamabad on 5 February. [Text] [BK061506 Karachi Domestic Service in Urdu 0200 GMT 6 Feb 83 BK]

AGREEMENT WITH CHINESE FIRM--Pakistan and a Chinese firm signed an agreement in Lahore on 6 February under which the Chinese firm will supply and install a 210 megawatt steam turboset in the Guddu Thermal Power Station. The project will cost 510 million rupees. The Chinese engineers and technicians are expected to arrive Guddu soon to begin preliminary construction work as well as preparation of the design and the fabrication of other parts of the unit. [Text] [BK071642 Karachi Domestic Service in Urdu 0100 GMT 7 Feb 83 BK]

OPPOSITION COMMENTS--Mr Ghulam Mustafa Jatoi, a leader of the nine-party Movement for the Restoration of Democracy in Pakistan, has said that the military regime of General Ziaul Haq is playing a dangerous game by preventing the movement's leaders from making contact with the people. Talking to newsmen in Lahore, he said that if political activities and the democratic process are not revived, the integrity of Pakistan would be in danger. Mr Jatoi, who was leading the Pakistan People's Party in the absence of Begum Nusrat Bhutto, criticized Islamabad's approach to the Afghan problem. He said the Pakistan Government should have direct talks with the Afghan Government for the solution of the problem. He pointed out that Pakistan does not need a new political set up as the constitution, unanimously approved in 1973--but suspended by the Zia regime--is still in existence. [Text] [BK090143 Delhi General Overseas Service in English 1330 GMT 8 Feb 83]

INDIAN GENERALS VISIT--Islamabad, Jan 27--Three retired Indian generals arrived here this evening from India, THE MUSLIM learnt from relevant sources. One retired General Varindra Singh, and two others, whose names could not be ascertained till late tonight, according to the Indian Embassy sources, have come here in their private capacity. It was further learnt that the three Indian generals are merely here to witness the cricket matches. The Indian Embassy sources, however, expressed their ignorance about the tour programme of these generals which may include meetings with important figures in the federal capital. [Text] [GF071502 Islamabad THE MUSLIM in English 28 Jan 83 p 1]

MRD LEADERS PROTEST--The MRD [Movement for the Restoration of Democracy] convener, Mr. Mairaj Mohammad Khan, and other leaders have in a joint statement protested against teargassing and lathi-charge by the police on women demonstrators in Lahore yesterday. They said the struggle of the people for the restoration of their fundamental rights could not be checked "by repressive measures." The MRD leaders--Khwaja Khairuddin, Mr Fatehyab Ali Khan, Mr. Iqbal Hyder and Mr Alamdar Haider--reminded that Islam bestowed on women rights which no other religion has given. In their view, it is the vested interests in league with religious extremists who in the name of Islam were "out to downgrade the status of women." They demanded that those responsible for "excesses on women-folk" in Lahore should tender apology to the whole nation. Mr Ghulam Mustafa Jatoi, a leader of the defunct People's Party, in a separate statement, condemned the Lahore incident, demanded punishment for the guilty, and called for a clear-cut government assurance that the rights of women would be safeguarded as equal citizens of Pakistan. Mrs. Mumtaz Noorani, president of Karachi Democratic Women's Association, and its general secretary, Mrs Tahira Mazhar Ali, in a joint press statement, also condemned the lathi-charge on women who they said were going peacefully to the high court to register their protest against the law of evidence. [Text] [GF151350 Karachi DAWN in English 13 Feb 83 p 6]

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END

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